

DESIGN FOR DEVELOPMENT: Northwestern Ontario Region

Phase 2: Policy Recommendations

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GOVERNMENT OF ONTARIO
Department of Treasury and Economics
Hon. C. S. MacNaughton / Treasurer and Minister of Economics

October 13, 1970

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DESIGN FOR DEVELOPMENT

Northwestern Ontario Region

(Phase 1 will not be published)

Phase 2 : Policy Recommendations

Government of Ontario

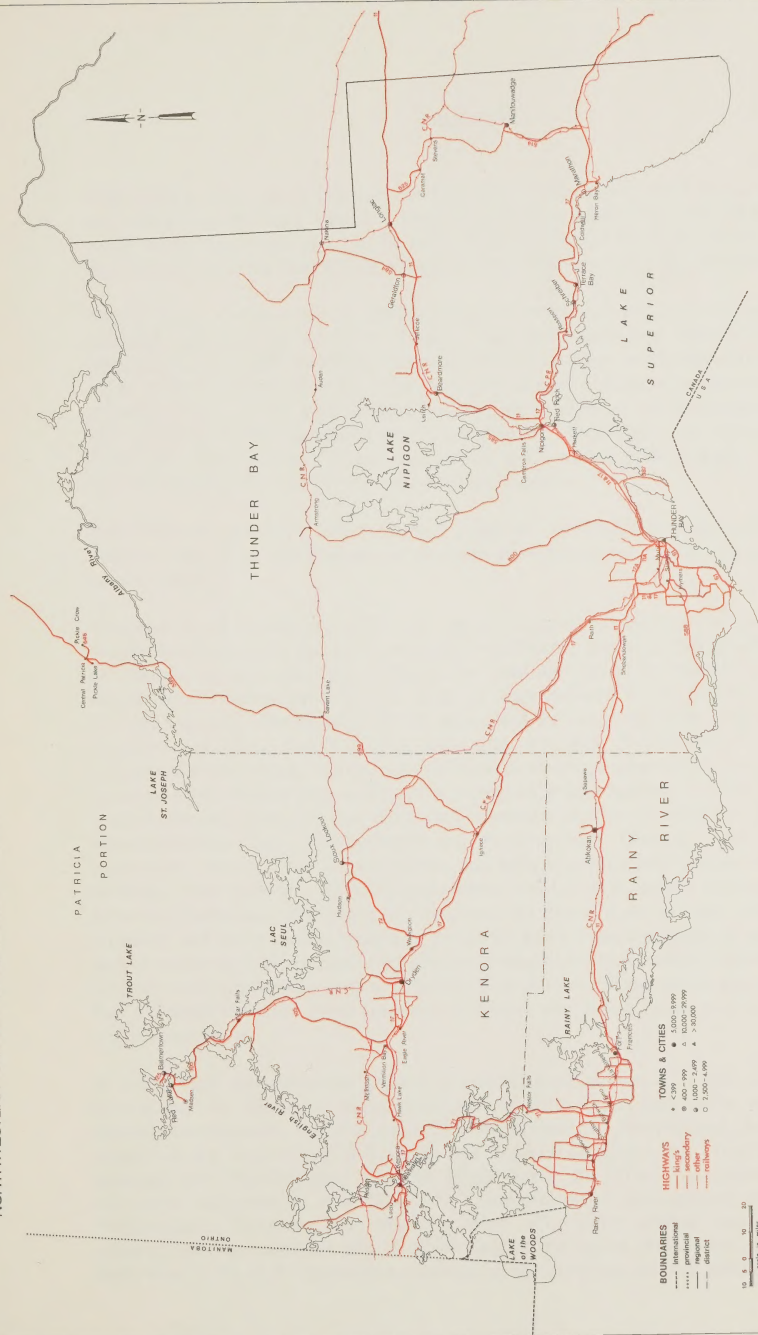
Department of Treasury and Economics
The Honourable Charles MacNaughton, Minister


Regional Development Branch

October 13, 1970



NORTHWESTERN ONTARIO DEVELOPMENT REGION





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PREFACE

Most people who live in Northwestern Ontario choose to live there for a number of very good reasons; many others, if they had a choice, would still prefer to make their living in the region and to enjoy its many benefits. One of the purposes of a regional development plan for Northwestern Ontario is to widen the range of such choice.

Northwestern Ontario has an attractive natural environment: clean air and water, plentiful fish and game, scenic beauty and an invigorating climate. These are immediately accessible to almost everyone. Natural resource wealth has also meant, for many, a high standard of living from the point of view of both material amenities and professional and community services. Finally, there exists an intangible quality to the style of life in Northwestern Ontario — a conviviality which is generally less common in congested urban regions, a slower pace of life, and a certain pride in being “northern” and separate in many ways from the rest of the Province.

This raises the question: why are only 3.2 per cent of Ontario's seven million people able to enjoy these advantages, and why are more people leaving the region than are coming to it?

The answer, on the surface, lies in the narrow range of employment opportunities in Northwestern Ontario, compared with southern Ontario and other fast-growing regions of Canada. In the past, especially in the post-war years, the forest and mineral resources of Northwestern Ontario were in high demand in the rapidly expanding national economy. The opening of new mines, and the expansion of the pulp and paper industry and other manufacturing industries, resulted in substantial population increases for the region. The economy of Canada is still growing rapidly, but economic expansion has entered into a highly technological phase; industry is more urban and market-oriented than in the past, and characterized by a complex system of communications and interdependencies. Northwestern Ontario, with a sparse population, relatively few urban centres, and being comparatively remote from major markets, finds itself in a difficult competitive position with respect to many modern secondary industries. The result is a tendency for many of the younger, more highly educated and better-skilled people to be drawn away from the region to areas which have a wider range of alternative employment opportunities. Conversely, Northwestern Ontario, with a relatively narrow economic base of resource extraction and processing, and a limited range of other activities, attracts a decreasing number of people from outside the region.

In recognition that economic growth and social development does not occur evenly throughout the Province, the Government of Ontario has initiated a program of regional development, which is currently being prepared by the Regional Development Branch of the Department of Treasury and Economics. Within this overall provincial program, the Northwestern Ontario Study seeks to (1) provide alternatives for short-term adjustments, and (2) evolve a comprehensive development strategy for Northwestern Ontario. The resulting plan will work toward equalizing the opportunities for economic growth in all areas of the region, will enable the region to share more fully in the expanding economy of the Province, and will assist the people,

particularly those of rural areas, to attain better incomes and standards of living. Now that the analysis is completed, this report proposes policy recommendations to achieve these ends.

This socio-economic study of Northwestern Ontario has been financed on an equally shared cost basis with the Government of Canada under the Federal-Provincial Rural Development Agreement, as ARDA Project Number 25074. The cooperation of ARDA in all aspects of the study is gratefully acknowledged.

The Regional Development Program in Northwestern Ontario has also been significantly advanced by: the various provincial government departments which have given their assistance; the Northwestern Ontario Regional Development Council, specifically its *Five Year Development Program: Final Report*, which provided valuable assistance in designing programs suited to the specific needs and wishes of the region; the guidance of the Regional Advisory Board; the various inputs from Lakehead University, and the continuing interest and cooperation of the people of the region.

H. I. Macdonald, Deputy Treasurer
and Deputy Minister of Economics

Richard S. Thoman, Director
Regional Development Branch.

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CHAPTER I

REGIONAL PROBLEMS AND POTENTIAL : SUMMARY

Population and Labour Force

1. The Northwestern Ontario Development Region comprises 58.9 per cent of the land area of the Province but contains only 3.2 per cent of the population (223,484 in 1966).
2. The population grew by 3.2 per cent between 1961 and 1966 (see Figure 1), compared with 11.6 per cent for the Province. All three districts of Northwestern Ontario suffered from net out-migration over the period (see Figure 2). Population trends indicate that the regional population will grow to about 280,000 by the year 2001. Most of this growth will take place in the District of Thunder Bay. Population in the District of Kenora will increase only slightly; in the District of Rainy River the trend is toward accelerated absolute decline.
3. Eighty-seven per cent of Northwestern Ontario's urban population (160,000) lives in Thunder Bay, Kenora, Fort Frances, Dryden and Atikokan. The remainder of the population lives in communities of 3,000 or less.
4. Nearly all rural areas are losing population. Most of the urban centres are growing only very slowly, or are stable in population.
5. Most people migrate into Northwestern Ontario for reasons of employment opportunities within a narrow range of resource-based industries. A greater number of people leave Northwestern Ontario to take advantage of better and more varied job opportunities in Southern Ontario, Western Canada, or elsewhere.
6. Over one-tenth of the regional population is of Indian origin. Many of these people live in small, isolated settlements widely dispersed across the northern part of the region.
7. Economic and social disadvantages — lack of job opportunities, unemployment, poor housing, inadequate health and education facilities, poor transportation and communications, alcoholism, etc. — are felt most seriously in the isolated communities of the Patricia Portion and in the northern part of the District of Thunder Bay. However, some of these problems are equally prevalent among many of the Indian people living close to the large urban centres of Northwestern Ontario.
8. The labour force numbered some 77,000 in 1961 and was estimated to be about 80,000 in 1966. The participation rate in the labour force (54.5 per cent in 1961) is lower than that of the Province because of fewer employment opportunities for women in the resource-oriented economy of Northwestern Ontario.
9. The younger age-groups of the labour force (20 - 44) are most prone to leave Northwestern Ontario in search of better job opportunities elsewhere.

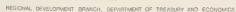


Figure 1

NORTHWESTERN ONTARIO DEVELOPMENT REGION
POPULATION INCREASE, NATURAL INCREASE AND NET MIGRATION
1951 - 1961 , 1961 - 1966



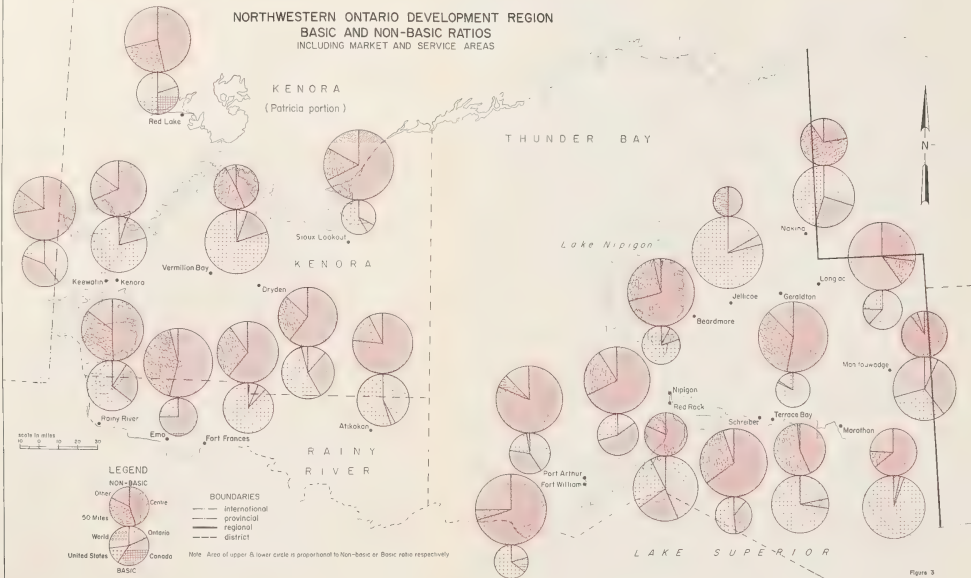
Source: Census of Canada, 1951, 1961, 1966, and special tabulation Regional Development Branch
REGIONAL DEVELOPMENT BRANCH DEPARTMENT OF TREASURY AND ECONOMICS

Figure 2

The Economic Base

1. The mining, pulp and paper, and tourist industries dominate the economy of Northwestern Ontario. The transportation and storage industries are also a major element in the economic base, reflecting the corridor role that the region plays in Canada's east-west trade.
2. The regional economy is highly susceptible to changes in external demand, especially for pulp, newsprint, minerals, and recreational resources. In 1968 the basic (export-oriented) market was divided as follows: United States, 53.0 per cent; remainder of Ontario, 23.7 per cent; remainder of Canada, 20.9 per cent; remainder of the world, 2.4 per cent.
3. Basic/non-basic ratios, calculated from questionnaire data obtained during field work in the summer of 1968, are illustrated in Figure 3. Communities having over 50 per cent of their total employment in basic industries are termed "predominantly basic"; the others are "predominantly non-basic." Of the 23 communities surveyed, seven were predominantly basic. Within the basic sector of all communities, the degree of economic interaction with the United States can be observed. Communities in the Districts of Kenora and Rainy River have a greater degree of interaction with the United States than do most communities in Thunder Bay District. This is largely explained by the dominance of pulp and paper industries. In the eastern part of the region, economic ties with the rest of Ontario are comparatively well developed. The largest markets for non-basic goods and services are found within the communities themselves, followed by a 50-mile radial area and finally the remainder of Northwestern Ontario.
4. Internal linkages in the regional economy are poorly developed. Except for raw resources, most inputs to the mining and manufacturing industries are imported. Except for gold, nearly all minerals are exported in raw or semi-processed form.
5. With the exception of tourism, the leading sectors of the economy are capital intensive and are becoming more so. Technological change has allowed for increased production but the demand for labour has remained generally static or, in some cases (as in forestry), decreased considerably.
6. The regional economy depends heavily on an adequate supply of accessible mineral, forest, and recreational resources. Because nearly all centres depend heavily on one or other of the leading sectors, resource depletion (notably of minerals) creates considerable uncertainty regarding future growth. Thunder Bay, the region's largest urban centre (107,000) has the greatest diversity in its economic base. Most of the remaining communities are narrowly specialized.
7. Distance from major markets and high costs of transportation contribute to the relative lack of development of manufacturing industries other than those presently dominating the economy (i.e. pulp and paper). (Research is being carried out on the effects of transportation costs on economic development.)

NORTHWESTERN ONTARIO DEVELOPMENT REGION



8. In most communities the service industries are not well developed, usually because local populations are small and widely dispersed. Thunder Bay is a regional service centre for the eastern part of the region, but Winnipeg performs this function for most people living in the District of Kenora and Rainy River. Figure 4 illustrates consumer behaviour in 1968 with respect to specialist medical services and provides one example of the strong orientation of the western part of the region towards Winnipeg.

The Forest-Based Industries

1. The wood industries and the paper and allied industries employed 9,208 people in Northwestern Ontario, or 70 per cent of the region's manufacturing labour force in 1966. This does not include those employed in primary forestry, that is, the woods operations. Secondary employment in the forest-based industries has remained fairly static during the 1960's because of depressed conditions within the industry and because mills were operating below capacity. Increased mechanization is continuing to reduce numbers employed in woods operations.
2. Most of the forest species are, in total, underutilized. In aggregate, allowable cut greatly exceeds actual cut; nevertheless, the pulp and paper firms are having to go increasingly farther afield for wood, close-in supplies having been largely exhausted. Higher costs are incurred in hauling wood to the mills, and may eventually become a critical factor in their competitive position, relative to producers in other regions.
3. Rising world demand for pulp and paper has led to increased production and to the expansion of one mill (Ontario-Minnesota, Fort Frances). Expansion of the industry will probably be general over the next twenty years, with an estimated 5,000 new jobs being created. Further, there are adequate wood supplies to support one or two additional mills in Northwestern Ontario, particularly in the Red Lake and Sioux Lookout areas.

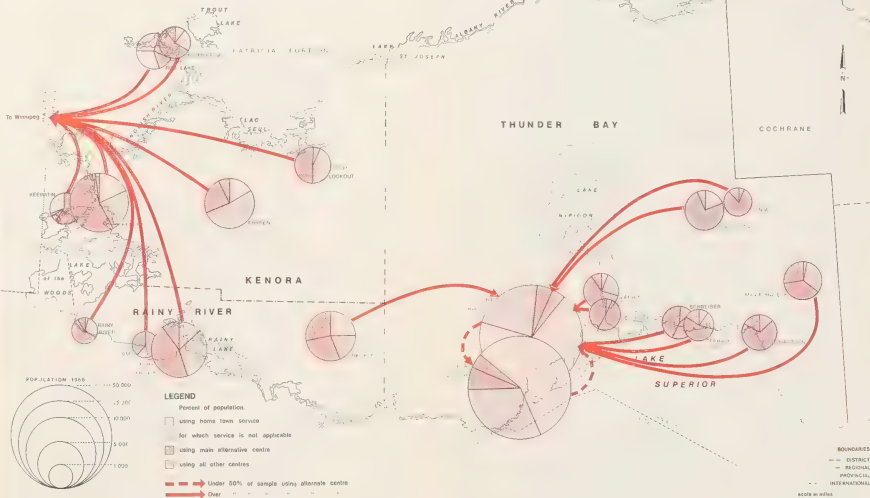
The Mining Industry

1. Mines in Northwestern Ontario yield iron, copper, nickel, zinc, lead, gold, silver and cadmium. The value of production in 1968 was \$130.5 million, a rise of 105 per cent since 1958. Value of metallic mineral production, 1945-1966, is shown in Figure 5 while Figure 6 illustrates the producing mines in the region in 1970.
2. Employment in the mining industry increased from 3,410 in 1958 to 4,412 in 1960, and has since declined to 3,730 in 1968. Most reduction has occurred in the gold mining camps (Red Lake and Geraldton), where mines have closed because of rising costs, ore depletion, and fixed prices for gold. With the closure of the McLeod Mosher mine in Geraldton in June 1970, only four producing gold mines remain in Northwestern Ontario. Three of these qualify for cost-aid under the Emergency Gold Mining Assistance Act (EGMA), which has recently been renewed until the end of 1972. It is probable that all gold mines, except for Campbell Red Lake, will close within the five-to-ten year horizon.

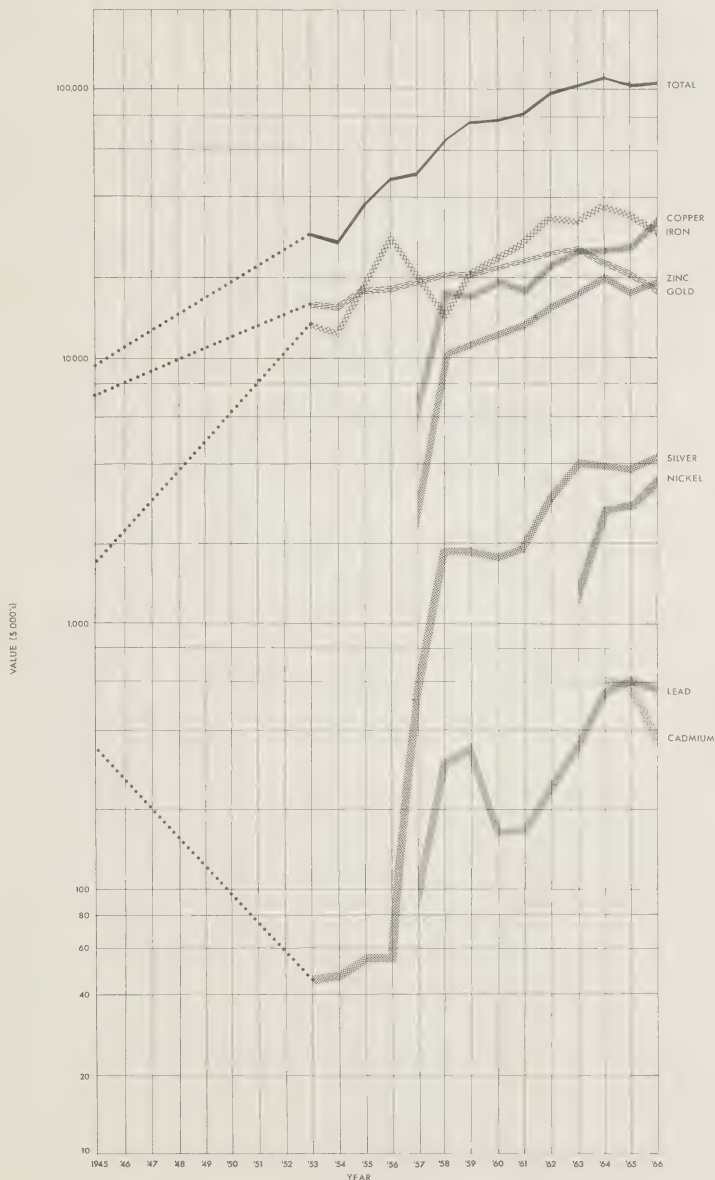
NORTHWESTERN ONTARIO DEVELOPMENT REGION

CONSUMER BEHAVIOR, 1968

SPECIALIST MEDICAL SERVICES



NORTHWESTERN ONTARIO DEVELOPMENT REGION
VALUE OF METALLIC MINERAL PRODUCTION 1945-1966



..... INDICATES NO DATA BETWEEN 1945 AND 1953

NORTHWESTERN ONTARIO DEVELOPMENT REGION PRODUCING MINES, 1970

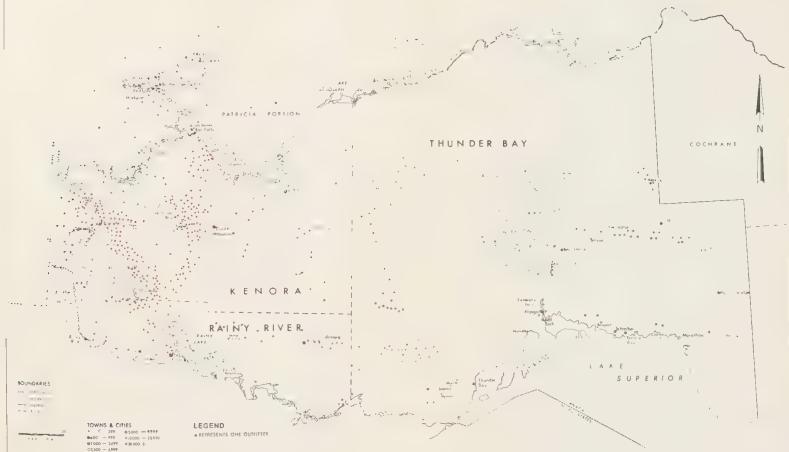


3. All communities which depend on mining (Atikokan, Red Lake, Balmertown, Madsen, Cochenour, Ear Falls, Manitouwadge, Geraldton) sooner or later must either establish alternate means of employment, or face drastic decline. Some transition has been made from mining to forestry in Geraldton.
4. Many of the miners displaced from the gold mining industry find employment in the base-metals and iron mines. Usually this means either moving to the new mine or commuting long distances to work. Commuting will probably be the prevailing practice for new mining operations at Shebandowan (nickel-copper), Sturgeon Lake (copper, lead, zinc), Confederation Lake (copper, zinc, silver) and Pardee Township (nickel, copper). Figure 7 illustrates major mineral occurrences under development in 1970.
5. Northwestern Ontario's mining industry has a healthy future. The emphasis will lie on the extraction of iron and base metals at the places mentioned above, and in the more northerly areas of the region: Lake St. Joseph, North Spirit Lake, the north and east of Lake Nipigon. The development of large deposits of iron known to exist in the northerly areas must await an increase in domestic and foreign demand, expected to occur in the late 1970's and 1980's. Development is also contingent on the construction of access roads or railways, and the depletion of more accessible reserves (presently at Steep Rock Lake and Bruce Lake).
6. At present, Northwestern Ontario's mineral production is shipped out of the region in a concentrated or pelletized state; no minerals are smelted or refined, with the exception of gold. Legislation passed by the Government of Ontario in January 1970 provides for the treatment in Canada of ores mined in Ontario. Tax incentives are to be applied to develop the vertical integration of mining, milling, smelting and refining operations in Ontario. These measures, combined with the forecast increase in mineral production in Northwestern Ontario, may make possible the establishment of smelting or refining facilities within the region.

Tourism and Recreation

1. The tourist and recreation industry is a significant component of the regional economic base. Tourism has been identified as the third ranking industry in volume of dollar earnings and numbers employed, following forestry and mining. Roughly 10 per cent of the labour force is employed directly or indirectly by this widespread industry. For the distribution of recreational facilities and hunting and fishing outfitters in 1970, see Figures 8 and 9.
2. Tourism in Northwestern Ontario depends on the region's natural environment: scenic beauty, clean air and water and wildlife. The primary activities are therefore space extensive — automobile and water-based touring, hunting and fishing.
3. As with other industries, the performance of the tourist industry depends on the size, location and stability of the market. Tourism in the region is at present heavily reliant on the urban populations of the north-central United States and southern Ontario. The industry is based on a fortuitous mix of natural resources, proximal urban concentrations and an efficient road network bridging the supply and the demand.

NORTHWESTERN ONTARIO DEVELOPMENT REGION HUNTING AND FISHING OUTFITTERS



Source: Economic Atlas of Ontario

LEGEND

REGIONAL DEVELOPMENT BRANCH DEPARTMENT OF TREASURY AND ECONOMICS

Figure 9

4. A problem affecting tourism is the shortness of the summer season. The peak tourist season — June to August — results in irregular employment and limited annual earnings. Although there is a comparatively long winter season, winter recreational facilities are limited; there is, however, a growing number of skiers coming to Thunder Bay area. The winter tourist industry has a good potential for growth.
5. It is paradoxical that while the distance between the region and the major population concentrations has been a major factor in preserving the attraction of unspoiled wilderness, at the same time it has prevented the full development of the resources.
6. The uneven distribution of the developed public facilities prevents the tourist from planning a trip based upon stops at strategically placed recreation sites. Facilities should be developed not only according to the resources but according to the needs of the traveller.
7. No area in the region provides a multi-recreational facility including, for example, swimming, fishing, hiking, and shopping all in one general location.
8. The limited amount of available capital and the lack of entrepreneurial talent have been among the major reasons that the industry has not met the expectations of local residents.
9. The preservation of environmental resources is becoming an important issue in Northwestern Ontario. Forest operations are threatening the recreational potential of some areas, while industrial pollution of some rivers and lakes has been recently discovered to be severe. These problems are, however, still localized, and with proper safeguards the environment will continue to be the region's greatest asset.

Manufacturing

1. The manufacturing sector employed an estimated 16.4 per cent of the Northwestern Ontario labour force in 1966, compared to 17.7 in 1961. Manufacturing in the region is dominated by the pulp and paper and wood industries (70 per cent of the total).
2. In terms of growth in employment and in value added, manufacturing in Northwestern Ontario lags considerably behind the Province, indicating that the region's competitive position is continuing to weaken.
3. The pulp and paper and wood industries are distributed widely in Northwestern Ontario, as are some of the food and beverage industries. Most other manufacturing is concentrated in the city of Thunder Bay. This includes metal fabricating, transportation equipment, and ship-building. The distribution of dominant major manufacturing groups in 1965 is shown in Figure 10.
4. The economic base study of Northwestern Ontario revealed that manufacturing operations are hampered by high costs of transportation, distance from the sources of manufactured inputs, shortages of skilled labour, and lack of good housing.

NORTHWESTERN ONTARIO DEVELOPMENT REGION DOMINANT MAJOR MANUFACTURING GROUPS

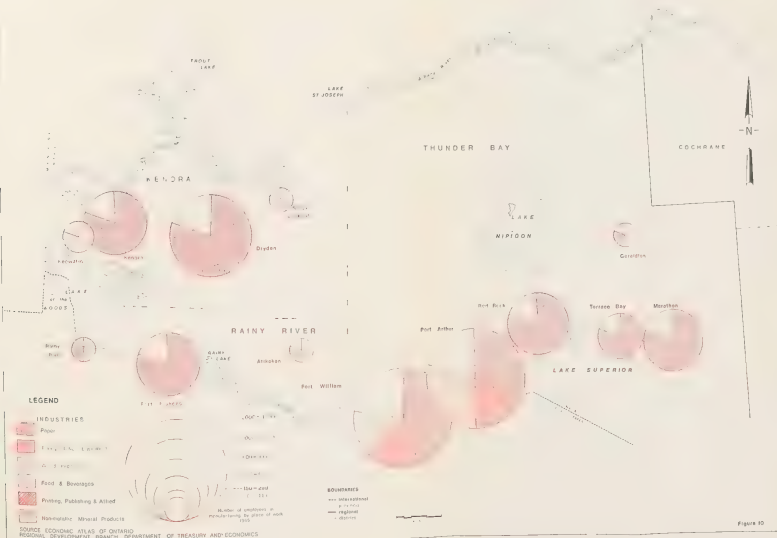


Figure 10

5. The greatest potential for manufacturing growth is in Thunder Bay, which has transportation advantages, serviced industrial land, a well-developed service infrastructure, and a sizable local market. Elsewhere in the region the potential is considerably lower, although local entrepreneurship has occasionally been of high enough quality to sustain viable industry.

Agriculture

1. Northwestern Ontario possesses three areas of extensive arable land: the Kaministiquia Valley of Thunder Bay, the western Rainy River District, and the Dryden clay plain. Agriculture is, however, distinctly marginal in most areas because of climatic limitations, distance from major markets, the small market, and competitive disadvantages compared with other regions.
2. The raising of dairy and feed cattle is the most important form of agriculture. The dairy industry serves local markets adequately and, although an abattoir has been established at Thunder Bay, much of the region's meat requirement must be imported.
3. Wild rice is growing in importance, especially in parts of the District of Kenora. The wild rice crop benefits many of the Indians who harvest it, but because processing and marketing facilities are located in Manitoba and the United States the industry does not yield the maximum benefit to Northwestern Ontario.
4. Agriculture has a limited potential for growth in production. The numbers employed in the industry will probably continue to decline, although production could show modest increase under a continuing program of farm enlargement, mechanization and modernization of farming practices.

Commercial Fishing

1. The commercial fishing industry is not a major source of employment or revenue in Northwestern Ontario, but it is important in that it is often the only livelihood for many Indian people.
2. The major inland fishing areas are the Sioux Lookout and Rainy River (Lake of the Woods) Forest Districts. The number of inland commercial fishing licences is declining; 474 were held in 1968. The main species exported are pickerel, northern pike, whitefish, and lake trout, the largest market being in the United States.
3. The Lake Superior fishery is not highly organized and is characterized by casual employment, unpaid family labour and seasonal variation in crew size.
4. Commercial fishermen receive low prices for their catch, lake trout yielding the highest price at about 43 cents a pound. In 1967, there were 18 buyers and three processing plants in Northwestern Ontario. There are, however, only a few importers in the United States, placing the native fishermen and their buyers in a disadvantageous position. The inception of the Fish Marketing Board in 1969 should in time reduce the fluctuations in the industry and add greater security and revenue to those employed in it.

Transportation and Communications

1. Northwestern Ontario straddles Canada's east-west transportation corridor. In 1961, over 12,000 people were employed in the transportation, communications, and storage industries. The railway systems and Lakehead grain elevators account for the bulk of this employment. Northwestern Ontario is therefore well served by the transportation infrastructure, particularly in the east-west direction.
2. North-south communications have improved considerably over the past several years, but there is a need for better road links in that direction. This need will be increasingly felt as the mining and forest frontiers extend northerly.
3. Commercial scheduled air service is limited to Thunder Bay, Dryden, Kenora and Red Lake. The Provincial Government's "Highways in the Sky" program will improve considerably the accessibility of both major centres and remote points.
4. Because there is a general feeling in Northwestern Ontario that transportation costs are hindering economic development, and that freight rates are prejudicial to many regional producers, the Regional Development Branch is undertaking a study to determine the effects of costs and rates. The results of this research should be forthcoming by the end of the current year.
5. Technological change in railway transportation has tended to reduce overall employment and, in some cases, has caused economic problems in communities wholly dependent on the railway.
6. Northwestern Ontario lacks a regional communications system. Newspapers are predominantly local in their coverage of events occurring in the region, as are radio and television. Television received in the Districts of Kenora and Rainy River emanates from Winnipeg or the United States, and there is seldom any Northwestern Ontario coverage in that service. The city of Thunder Bay has good television facilities, but it does not extend beyond 60 miles to the east.
7. The most severe problems in telecommunications are felt in the remote areas of the Patricia Portion. Education, health, police and other services in isolated communities are dependent on good communications, and the need for an integrated radio-telephone system throughout the far north is apparent.

Income

1. Incomes in Northwestern Ontario tend to be below the provincial average. In 1966, income levels were:

	Region \$	Province \$
Average Personal Income	4,446	4,686
Average Income per Taxpayer	5,142	5,398
Per Capita Income	1,930	2,117
Average Household Income	7,732	7,970

The above data reflect both the lower regional participation rate in the labour force and the proportionally larger numbers dependent on the working population. Average income per taxpayer, 1966, is shown in Figure 11.

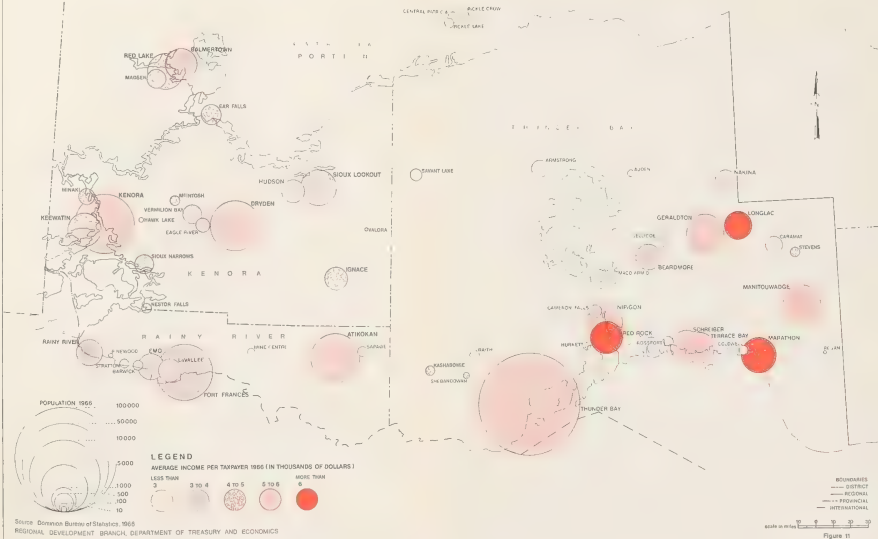
2. Wages and salaries earned by manufacturing workers in Northwestern Ontario were higher than in the Province: \$5,923 in 1966, compared to \$5,455. The relatively high manufacturing income reflects the dominance of the capital intensive pulp and paper industry.
3. The District of Thunder Bay, which has evidenced the highest potential for economic growth in Northwestern Ontario, showed a higher rate of increase in average personal income than the Province — 23.5 per cent, compared with 22.5 per cent over the 1961-66 period.
4. Highest incomes in the region tend to prevail in single-enterprise communities of between 2,000 and 5,000 people. The economic base of such communities is typically resource-oriented, capital intensive and technologically advanced, and requires a high degree of skill in the labour force. Such communities are Atikokan, Red Rock, Terrace Bay, Marathon, Manitouwadge and Longlac.
5. Low incomes characterize small communities in the slow-growth agricultural areas of the Rainy River and Dryden areas, and the isolated settlements of the northern areas of the region. In the latter areas the majority of the inhabitants are Indians with average incomes of under \$1,000 a year.

Education

1. The educational level of Northwestern Ontario's population is rising although the achievement of those over 15 years of age not attending school in 1961 still compared unfavourably with that of the Province. All three districts had smaller percentages of their population aged 15 to 19 in school than the Province in 1966. It is likely, however, that secondary school enrolment will increase at a much greater rate in the region than in the Province until the 1976-81 period, when the effect of the present decline in the birth rate will be felt.
2. A number of problems related to the disparity in educational achievement are symptoms of inadequate administrative structure. In the larger communities — Thunder Bay, Kenora, Fort Frances, Dryden — the educational situation compares favourably with that in the better served parts of the Province. The schools in these communities experience relatively few problems of staffing, and have well qualified teachers and diversified programs with options, particularly at the secondary level.
3. Many of the smaller communities, however, lack the educational facilities either to train their youth or to provide the supplementary training that might be required by a new locating industry.

NORTHWESTERN ONTARIO DEVELOPMENT REGION

AVERAGE INCOME PER TAXPAYER, 1966



4. Those students who have received the advantages of the more centralized education system now coming into use in the region have already experienced a type of migration in attending school a long distance from their homes. When unable to find employment of a suitable nature within the region, the natural step for such people is migration from the region.
5. Acute problems are involved in the provision of education to those people living in isolated parts of the region. Many communities are as far as 300 miles from the nearest high school, often without highway connections of any kind. In many cases, the problem of isolation is accentuated by the fact that English is not the language normally spoken.

Health

1. Problems of health planning for Northwestern Ontario become more complex and severe with distance from urban centres. The most significant overall problem concerns the inefficient usage of existing services. The Ontario Department of Health has adopted a regional approach to its public health program as a step towards ameliorating this situation.
2. Outside Thunder Bay there is an almost total absence of qualified specialists, including even the basic general surgeon, the internist, the obstetrician and the paediatrician. With regard to the one pathologist and one radiologist outside Thunder Bay, these are essentially specialized skills which provide staff type services for other doctors.
3. In recognizing certain areas within the region as underserved with respect to basic medical and dental services, the Department of Health is moving toward a solution of what is perhaps the single most significant human need in many communities. To qualify for listing as underserved, however, municipalities are required to ensure that adequate clinic, office and housing facilities are available at a reasonable rate to the doctor or dentist locating through the underserved area program. This requirement is not feasible for less prosperous communities, particularly those in more isolated areas.
4. For at least a proportion of the 10 per cent of the regional population living outside the sphere of relatively easy access to health services, the problem is one of obtaining even the most basic services. In view of the difficulties presently being experienced by many of the more well established communities in this respect, it is unrealistic to expect that urban patterns of professional practice will be established in remote areas. Certain programs announced during 1969 may improve the situation. For example, under a scheme which became effective in February, 1969, a group of doctors from the University of Toronto will be responsible for approximately 8,000 Indian people living between the C.N.R. line and Hudson Bay.

Social Services

1. Sparse population, inadequate municipal tax bases and a lack of employment opportunities in many of the more remote areas of Northwestern Ontario, together with lower than average incomes and a shortage of skilled social workers result in persons experiencing great difficulty in achieving self-fulfilment and requiring longer periods of dependency on social assistance.

Housing

1. The existing shortage of the required type of housing accommodation in Northwestern Ontario is creating severe problems for a number of municipalities with regard to securing new employees. The most significant problem concerns the shortage of rental housing. It is frequently necessary for lower income families and many middle income families to rent their accommodation because of the substantial down payments required on new houses when these are available. In addition, the majority of new employees entering the region are initially interested in renting, rather than buying, a house.
2. There is a pronounced lack of local capital, even in the relatively small amounts required by the Central Mortgage and Housing Corporation. House prices are fairly high, largely as a result of this shortage of building capital, but also because of high transportation costs, high costs of materials and the small scale of building operations.
3. For those people living in isolated areas, the most glaring deficiencies lie in the availability of such services as electricity, sewage disposal, indoor plumbing and sanitary facilities. In unorganized territory, for the native Indian population in particular, the supply of housing is inadequate for the existing population. Hence severe overcrowding is prevalent.

CHAPTER II

SELECTION OF CENTRES OF OPPORTUNITY

The selection of centres of opportunity or growth points is a critical prerequisite for the orderly spatial and structural development of a region. In Northwestern Ontario, the choice is of particular importance, owing to the long distances separating most urban centres, and to the generally slow growth of the regional economy — factors which together are not observed elsewhere in the Province.

The purpose of this chapter is threefold. First, the general theory of growth point selection involving a three-tiered hierarchy — primate, linked and strategic centres — is outlined as the approach for the entire Province. Second, 15 communities with 1968 populations of more than 1,000 are analysed according to each individual centre's performance and potential. Finally each centre will be designated as being one of three types — primate, strategic "A" and strategic "B". The chapter concludes with a statement of how each centre can be used as a mechanism for achieving the desired goals of regional development.

The Concept of Growth Points

The growth point principle assumes that the best employment opportunities, the widest range of social and cultural amenities, and the greatest potential for future growth are to be found in the larger urban centres. A growth centre is a central place which, together with its functional hinterland, has the possibility of influencing orderly regional growth.

For the Province as a whole, the selection of growth centres is related to the five types of aggregate performance areas distinguished during the Evaluation stage of the Regional Development Program. In high and moderately high performance areas, the major function of growth points is to channel, rather than to stimulate, economic activity. In low and moderately low performance areas, such centres will be used primarily to stimulate economic growth, while in the intermediate performance areas, they will have a dual function of both stimulating and channelling growth. Northwestern Ontario has been shown to contain three of the five types of performance areas: intermediate (District of Thunder Bay); moderately low (District of Kenora); and low (District of Rainy River). These are illustrated in Figure 12.

The selection of centres of opportunity within each of the three districts is based upon both a theoretical approach and an analysis of the unique locations and conditions of every possible growth point. Altogether, twelve critical criteria have been used in the analysis; these are described in detail in the following chapter.

For the Province as a whole, a three-tiered hierarchy of growth centres has been evolved: *primate*, *linked* and *strategic* centres. In the high and moderately high performance areas, primate centres (usually metropolitan areas) are used to channel orderly spatial growth. In lagging areas, they are used to stimulate growth. Linked centres are located outside effective journey-to-work zones of primate centres, but are tied, in whole, or in part, to primate centres. No linked centres appear to exist in

PROVINCE of ONTARIO

AGGREGATE PERFORMANCE AREAS,
BY COUNTY OR DISTRICT
Data Sources; 1951 - 1966

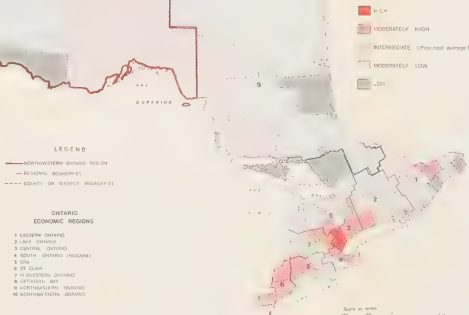


Figure 12

Regional Development Branch, Department of Treasury and Economics

Northwestern Ontario. The strategic growth centre is not linked predominately to any metropolitan area, but exists for the purpose of serving the specific needs and industries (such as mining and forestry) of a particular area. The strategic type of growth point assumes major importance in Northwestern Ontario.

Analysis of Urban Performance and Potential

Before a selection of centres of opportunity could be made, the major centres in Northwestern Ontario were analysed according to their past development and their potential for future growth. Serious constraints to growth, as well as advantages, were identified.

There are 24 organized municipalities (cities, towns, improvement districts and townships) of over 1,000 in population (1968). Six of these (Jaffray-Melick, Paipooonge, Oliver, Machin, Emo and Chapple) are essentially rural in character and were, therefore, not analysed. Of the remaining 18 municipalities, six have been grouped into pairs owing to their nearness to each other: Kenora-Keewatin, Red Lake-Balmertown, and Nipigon-Red Rock. The resulting 15 urban centres and urban pairs were analysed according to 12 criteria as follows:

1. Functional Type of Centre

Type	Description	Generalized Population Range
1	Megalopolitan Centre	above 500,000
2	Supra-Regional Centre	250,000 to 500,000
3	Regional Centre	42,000 to 300,000
4	Sub-Regional Centre	7,800 to 50,000
5	Full Convenience Centre	800 to 9,000
6	Minimum Convenience Centre	220 to 1,500

These types were selected using a list of typical functions, business and other services which draw people from the surrounding territory into the centre. The general criteria for rating centres included the kind and number of commercial and industrial facilities, transportation and communications, cultural and recreational facilities, and service facilities. In addition, the relative location of the centre, the pattern of trip frequencies and the distances travelled were considered to be significant in the final classification of the centre. Data sources included the *Dun and Bradstreet Reference Book* of May 1968, telephone directories and statistical tabulations, prepared by the Regional Development Branch.

Table 1 shows the classifications of all 24 municipalities of over 1,000 in population. It will be noted that there is one regional centre (Thunder Bay), three sub-regional centres (Kenora, Fort Frances, and Dryden), and 14 full convenience centres. All remaining centres in Northwestern Ontario can be regarded as minimum convenience.

TABLE 1
CLASSIFICATION OF ORGANIZED MUNICIPALITIES
IN NORTHWESTERN ONTARIO

Municipality	Population, 1968	Classification
Thunder Bay (City)	107,876	Regional (3)
Kenora (Town)	10,990	Sub-regional (4)
Fort Frances (Town)	9,105	Sub-regional
Dryden (Town)	6,727	Sub-regional
Atikokan (Twp)	6,178	Full convenience (5)
Manitouwadge (Improvement District)	3,318	Full convenience
Geraldton (Town)	3,128	Full convenience
Sioux Lookout (Town)	2,704	Full convenience
Nipigon (Twp)	2,680	Full convenience
Marathon (I.D.)	2,569	Full convenience
Jaffray & Melick (Twp)	2,528	Unclassified
Red Lake (Twp)	2,471	Full convenience
Paipoonge (Twp)	2,256	Unclassified
Keewatin (Town)	2,171	Full convenience
Schreiber (Twp)	2,130	Full convenience
Red Rock (I.D.)	1,922	Full convenience
Terrace Bay (Twp)	1,829	Full convenience
Balmertown (I.D.)	1,796	Full convenience
Longlac (Twp)	1,328	Full convenience
Oliver (Twp)	1,268	Unclassified
Machin (Twp)	1,102	Unclassified
Rainy River (Town)	1,087	Full convenience
Emo (Twp)	1,028	Unclassified
Chapple (Twp)	1,013	Unclassified

Note: The municipalities designated as "Unclassified" above are not truly urban, but largely rural, containing usually one or two small unincorporated nucleations. Remaining organized municipalities in Northwestern Ontario are: Townships: La Vallee (803); Ignace (691); Alberton (657); Morley (625); O'Connor (380); Gillies (342); Conmee (313); Atwood (285); McCrossen & Tovell (270); Dilke (224); Morson (176); Worthington (135); Blue (122); Improvement Districts: Barclay (934); Beardmore (849); Nakina (626); Dorion (473); Sioux Narrows (335); Kingsford (85). In addition, there are many unincorporated municipalities located in unorganized territory, none of which exceeded 1,000 in population in 1966, e.g. Hudson (831); Madsen (566); Cochenour (255); Armstrong (427); Jellicoe (188). None of the above population data includes Indian Reserves. All unincorporated settlements located within organized townships or in unorganized territory can be regarded as "minimum convenience" centres.

2. Trading Area Population, or Area of Influence, 1966

Trading area, or area of influence populations were rated as follows:

Trading Area Population		Rating
Above	199,999	1
100,000 to	199,999	2
50,000 to	99,999	3
25,000 to	49,999	4
Less than	25,000	5

Figure 13 shows the areal extent of influence of the 15 centres analysed. Circles are proportional to population, the inner circle to the population of the centre, the outer circle to centre plus area of influence. It will be noticed that for clarification of the map, Longlac has been included as part of Geraldton's area of influence; Schreiber as part of Terrace Bay's; Red Rock as part of Nipigon's; Keewatin as part of Kenora's; and Balmertown as part of the area of influence of Red Lake.

It has been calculated that the regional centre, Thunder Bay, together with its area of influence includes 51 per cent of the total population of Northwestern Ontario. The sub-regional centres (Kenora, Fort Frances and Dryden), with their respective areas of influence, comprise 20 per cent of the regional population. The nine single and paired full-convenience centres account for about 19 per cent of the regional population. In total, about 90 per cent of the people of Northwestern Ontario live in, or within the area of influence of, those urban places selected for growth-point analysis.

3. Trade Area Size

Related to measure 2, centres were rated according to the following:

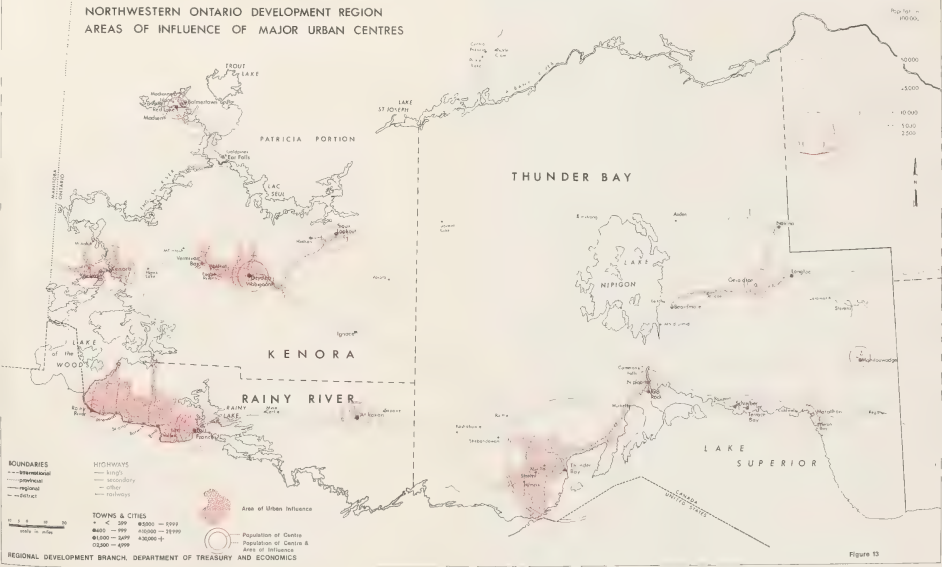
Trade Area (square miles)		Rating
Above	623	1
428 -	623	2
264 -	427	3
100 -	263	4
Less than	100	5

Actual areal measurement of trade areas is difficult in Northwestern Ontario because of the highly nucleated nature of settlement and the linearities in intersection. Nevertheless, ratings were applied as follows: Thunder Bay (1); Kenora-Keewatin, Fort Frances and Dryden (3); Geraldton (4); and the remaining communities (5).

4. Wholesale Sales, 1961

Data are available only for centres of 5,000 population and over. The middle rating (3) includes the provincial norm for all urban centres. Other breakpoints are determined by a statistical procedure which normalizes the distribution of this measure so that there is a relatively even number of centres falling above and below the middle category for all Ontario.

NORTHWESTERN ONTARIO DEVELOPMENT REGION AREAS OF INFLUENCE OF MAJOR URBAN CENTRES



Wholesale Sales (\$'000)	Rating
Above 78,229	1
43,740 to 78,229	2
14,510 to 43,739	3
1,000 to 14,509	4
Less than 1,000	5

Source: Dominion Bureau of Statistics, *Census of Canada*, 1961, Vol. IV, Part 2, Wholesale Trade.

According to the above ratings and available data, Thunder Bay is ranked as 1, Kenora, Fort Frances and Dryden as 4. Although the actual values of sales are certain to have changed considerably since 1961, it is assumed that the relative positions of these four communities have not.

5. Manufacturing Employment, 1964

Data are available only for selected centres. The middle rating includes the provincial norm for all centres for which data are available. The categories were determined as in 4.

Manufacturing Employment, 1964	Rating
Above 11,594	1
5,930 to 11,594	2
1,333 to 5,929	3
100 to 1,332	4
Less than 100	5

Source: Dominion Bureau of Statistics. *The Manufacturing Industries of Canada*, (Geographical Distribution), 1964.

Data available from the above source include only Port Arthur, Fort William and Geraldton. The Lakehead cities rated 3, Geraldton 5. According to data collected in 1968, the other centres rate as follows: Kenora-Keewatin, Fort Frances and Dryden (3); Marathon, Nipigon-Red Rock, Terrace Bay and Longlac (4); Atikokan, Balmertown-Red Lake, Manitouwadge, Rainy River, Sioux Lookout and Schreiber (5).

6. Population Growth of Centres, Percentage Change, 1961 to 1968

% Change 1968/61	Rating
Above 27.4	1
16.3 to 27.4	2
6.7 to 16.2	3
4.5 to 6.6	4
Less than 4.5	5

Source: Assessed Population; 1969 *Ontario Population Statistics*, Community Planning Branch, Department of Municipal Affairs, 1969.

The data are again normalized and percentage change categories chosen so that the middle range includes the provincial rate of change with an even distribution of centres above and below the provincial range.

Using the above ranking system, Manitouwadge and Longlac rate 2; Dryden and Thunder Bay rate 3; Balmertown-Red Lake, Fort Frances, Kenora-Keewatin, Marathon, Nipigon-Red Rock, Sioux Lookout and Schreiber rate 4; Atikokan, Geraldton, Rainy River and Terrace Bay rate 5.

7. Retail Sales, Percentage Change, 1961 to 1966

Data are available only for centres of 1,000 population and over. The data source is the Dominion Bureau of Statistics, *Census of Canada 1961 and 1966*.

% Change 1966/61		Rating
Above	96.3	1
59.3 to	96.3	2
36.0 to	59.2	3
10.0 to	35.9	4
Less than	10.0	5

The third rating includes the provincial rate of change of retail sales for this time period.

According to available data, Thunder Bay, Kenora, Fort Frances and Dryden rate 4; Geraldton, Rainy River and Sioux Lookout rate 5.

8. Manufacturing Employment, Percentage Change, 1961 to 1964

The data source is the same as in measure 5 with categories chosen by the same statistical procedure.

% Change 1964/61		Rating
Above	104.1	1
52.8 to	104.1	2
9.3 to	52.7	3
- 43.1 to	9.2	4
Less than	- 42.1	5

Actual data exist only for Thunder Bay (3) and Geraldton (4). Indications are, however, that most of the remaining centres would rank 4, and that recent manufacturing developments in Fort Frances, Rainy River and Longlac would enable these centres to rank 3.

9. Accessibility Rating

This indicator was developed from accessibility scores using four transportation modes — road, rail, water and air.

Road: The weights given to each centre depended on its proximity to the nearest freeway interchange and density of secondary road links. The data source was *Official Road Map, 1968*, Department of Highways, Ontario.

Rail: Using the *Economic Atlas of Ontario*, published for the Government of Ontario by the University of Toronto Press, 1969, and data from major railway companies, scores were derived by determining each centre's proximity to existing lines and major freight terminals.

Ports: A scoring system taking into consideration different types of ports and facilities and the accessibility of centres to these ports is the basis on which a total port score was developed. The classification of ports originated from data on handling and service facilities, maximum draft and wharves feet, as shown in the *Economic Atlas of Ontario 1969*, (Map 91).

Airports: Scores related to the proximity of centres to major airports and to secondary airports (with full year operation).

The accessibility rating summed the road, rail, port and airport scores for each centre which was then classified according to the following:

Accessibility Score	Rating
Above 91	1
75 to 91	2
60 to 74	3
45 to 59	4
Less than 45	5

According to the above system, the following ratings were obtained: Thunder Bay (1); Dryden and Kenora (2); Nipigon-Red Rock (3); Atikokan, Fort Frances and Geraldton (4); Balmertown-Red Lake, Manitouwadge, Marathon, Rainy River, Sioux Lookout, Terrace Bay, Longlac and Schreiber (5).

10. Water and Sewer Capacity

1968 data on these services were derived from the Ontario Water Resources Commission, field surveys conducted by the Regional Development Branch, and data from the *1968 Industrial Directory of Municipal Data for Ontario Municipalities*, Industrial Development Branch, Department of Trade and Development. Ratings were allocated in terms of *relative* unused capacities:

Spare Capacity	Rating
High	1
Medium to High	2
Medium	3
Low to Medium	4
None	5

The centres rate as follows: Kenora-Keewatin (3); Atikokan, Balmertown-Red Lake, Dryden, Manitouwadge, Rainy River and Terrace Bay (4); and the remaining centres rate 5. Since this is a combined rating of both water and sewage facilities, high excess capacity in one may be counterbalanced by a low capacity in the other. Thunder Bay, for example, has surplus water capacity of 120 per cent, but sewage disposal facilities which have little excess capacity; the rating of 5 reflects this situation. In general, inadequate sewage facilities rather than lack of water is a constraint to the development of many Northwestern Ontario communities.

11. Provincial and Federal Government Services

Data for this measure were provided by the Provincial and Federal Department of Public Works (Real Property Inventory) and from the Provincial Department of Justice. An index was developed rating the provision of these services in terms of intensity of use and the size of service area.

Government Services		Rating
Above	151	1
76 to	150	2
38 to	75	3
20 to	37	4
Less than	20	5

Figure 14 shows the distribution of federal and provincial offices and service facilities. According to this distribution and to the criterion described above, ratings are as follows: Thunder Bay (1); Kenora (2); Fort Frances, Geraldton and Sioux Lookout (3); Red Lake-Balmertown and Dryden (4); and the remaining centres (5).

12. Growth Prospects of the Economic Base

A five-fold rating was developed to rank the growth orientation of the economic base of each centre, to a large extent utilizing information gathered in field surveys from municipal and regional planning organizations, the Regional Development Councils and the Services Section of the Regional Development Branch. In this context the following topics were considered:

- an evaluation of the proportion of employment in each centre in anticipated growth industries.
- a careful look at the tertiary sector, especially in terms of city and region-serving activities.
- the capacity of the centre to attract new employment noting recently announced new plants.
- the capacity of the centre to absorb further population growth especially in terms of housing and other elements of the socio-economic infrastructure.

NORTHWESTERN ONTARIO DEVELOPMENT REGION LOCATION OF GOVERNMENT SERVICES

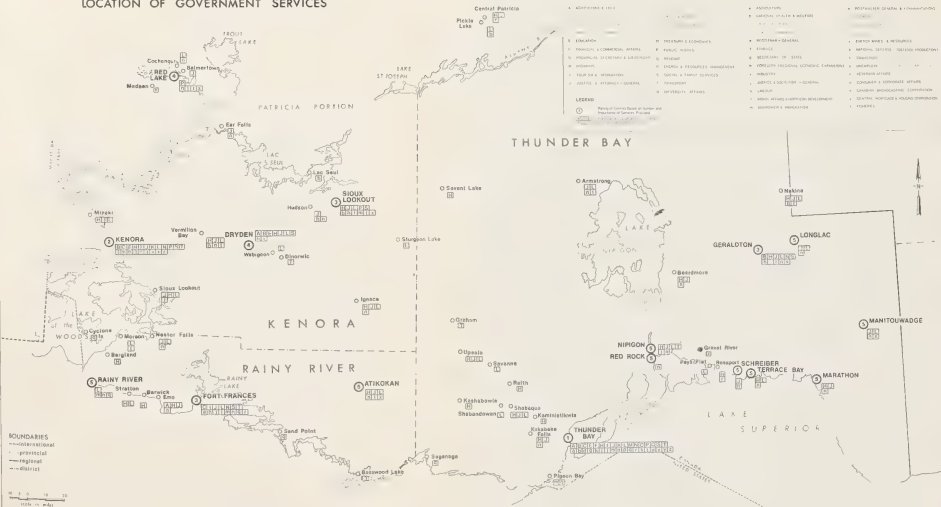


TABLE 2

PRELIMINARY ANALYSIS OF SELECTED
MEASURES OF URBAN GROWTH POTENTIAL, NORTHWESTERN
ONTARIO DEVELOPMENT REGION

SELECTED MEASURES	URBAN CENTRES														
	Atikokan	Barrie - Red Lake	Dryden	Fort Frances	Geraldton	Kenora - Keweenaw	Longlac	Manitouwadge	Marathon	Nipigon - Red Rock	Rainy River	Schreiber	Sioux Lookout	Terrace Bay	Thunder Bay
Functional Type of Centre	5	5	4	4	5	4	5	5	5	5	5	5	5	5	3
Trade Area Population, 1966	5	5	5	5	5	5	5	5	5	5	5	5	5	5	2
Trade Area Size	5	5	3	3	4	3	5	5	5	5	5	5	5	5	1
Wholesale Sales, 1961	—	—	4	4	—	4	—	—	—	—	—	—	—	—	1
Manufacturing Employment, 1964	(5)	(5)	(3)	(3)	5	(3)	(4)	(5)	(4)	(4)	(5)	(5)	(5)	(4)	3
Population Growth of Centre, % Change, 1961 to 1968	5	4	3	4	5	4	2	2	4	4	5	4	4	5	3
Retail Sales % Change, 1961 to 1966	—	—	4	4	5	4	—	—	—	5	—	5	—	—	4
Manufacturing Employment, % Change, 1961 to 1964	(4)	(4)	(4)	(3)	4	(4)	(3)	(4)	(4)	(3)	(4)	(4)	(4)	(4)	3
Accessibility of Centre	4	5	2	4	4	2	5	5	5	3	5	5	5	5	1
Water and Sewer Spare Capacity	4	4	4	5	5	3	5	4	5	5	4	5	5	4	5
Provincial and Federal Government Services	5	4	4	3	3	2	5	5	5	5	5	5	3	5	1
Growth Prospects of the Economic Base	5	5	3	3	5	4	5	5	5	5	5	5	5	5	2

Note: Dashes refer to centres where data are not available or applicable. Figures in () are based on data collected from field work, and would actually pertain to the 1961-1970 period.

- an investigation of the development to date of the transportation network serving a centre especially in terms of providing residents with easy commuting access to employment and services and for the private sector significant labour markets.
- the attractiveness of the centre in terms of cultural and recreational services.

Growth Prospects	Rating
High	1
Medium to High	2
Medium	3
Slow to Medium	4
Slow	5

Using the above guidelines, ratings were applied as follows: Thunder Bay (2); Dryden and Fort Frances (3); Kenora-Keewatin (4); and the remaining communities (5). It must be borne in mind that these ratings apply according to past performance, and do not reflect the implementation of the regional development plan, which may change such an evaluation.

Table 2 summarizes the rankings of each of the 12 criteria applied to the 15 individual or paired centres selected for analysis. Table 3 shows the aggregate rankings of these centres, as calculated by a simple average of these 12 criteria.

TABLE 3
RANKING OF URBAN POTENTIAL, NORTHWESTERN ONTARIO

Centre	Average Ranking of Twelve Measures of Urban Growth
Thunder Bay	2.4
Kenora-Keewatin	3.5
Dryden	3.6
Fort Frances	3.7
Manitouwadge	4.5
Nipigon-Red Rock	4.5
Longlac	4.5
Geraldton	4.6
Red Lake-Balmertown	4.6
Sioux Lookout	4.6
Terrace Bay	4.7
Marathon	4.7
Atikokan	4.7
Rainy River	4.7
Schreiber	4.9

Selection of Centres of Opportunity (Growth Points) in Northwestern Ontario

The analytical considerations discussed above have been used to select 13 centres of opportunity for Northwestern Ontario according to a three-tiered hierarchy: Primate, Strategic "A" and Strategic "B". These 13 centres will be used to focus the strategy of the regional development program to be outlined in Chapter IV.

The centres of opportunity are as follows:

Primate: Thunder Bay

Strategic "A": Kenora-Keewatin, Fort Frances, Dryden, Geraldton.

Strategic "B": Atikokan, Rainy River, Red Lake-Balmertown, Sioux Lookout, Nipigon-Red Rock, Terrace Bay, Marathon, Manitouwadge.

As applied to Northwestern Ontario:

1. A Primate centre is characterized by:

- a. A population of the city, together with its area of influence, of greater than 50,000;
- b. a strong export-oriented economy having a number of large firms and alternate avenues of employment;
- c. a wide range of retail and service functions, including most of the urban amenities found in comparable centres in southern Ontario;
- d. good accessibility by road, rail and air;
- e. excellent potential for growth and development.

The Primate centre, as defined for the purposes of the regional development plan, will provide, as far as is possible, the widest range of activities and opportunities on a *regional* scope. Its size, location, and service infrastructure offer the best opportunities for the establishment and expansion of manufacturing industries, and for the further development of wholesale and retail trade, communications, educational, health and cultural institutions, and government services.

2. A Strategic "A" centre is characterized by:

- a. A population in the centre proper of between 3,000 and 16,000 and in the total area of influence of between 7,000 and 30,000;
- b. an economy which is resource-oriented, but with some diversity of industrial mix;
- c. a good variety of retail and service functions, although not of the range in Primate centres;

- d. good accessibility by road and rail, and sometimes by air;
- e. moderate to good possibilities for growth and development, particularly in the resource-based industries.

The selection of Kenora-Keewatin, Fort Frances, Dryden, and Geraldton as Strategic "A" centres for the regional development program is made with the intention of encouraging the growth of forest-based and recreational industries, as well as those manufacturing and service industries that are suited to the community and that have a reasonable chance of success. Their location is such that they can influence a wide local area, and for this reason Strategic "A" centres are to be encouraged to enhance such services as trade, communications, education, health and government. Kenora-Keewatin, Dryden and Fort Frances obviously qualify as such centres because of their respective locations and their urban growth potential. Within the eastern section of the region, Geraldton, despite current difficulties, stands out in terms of service infrastructure and interacts closely with Longlac, Nakina and Beardmore.

3. A Strategic "B" centre is characterized by:

- a. A single resource-based industry, usually pulp and paper or mining. (Sioux Lookout and Rainy River are exceptions to this generalization, but their economic base is as typically specialized.);
- b. a population in the centre of between 1,100 and 6,500, and in the area of influence of from 3,000 to 11,000;
- c. accessibility by road and usually by rail, but with a low degree of connectivity with other places in the system;
- d. a service infrastructure which has developed only to take care of the day-to-day needs of the local population; more specialized services are available only in the nearest Primate or Strategic "A" centres. Water and sewage facilities are limited.

Within the regional development program, the intention is to prevent decline and to initiate moderate growth in the Strategic "B" communities by encouraging the mining, forest-based, and recreation industries, and by maintaining, whenever economically viable, developed specialized functions such as transportation and government services. Wherever possible, diversity in these activities is to be encouraged.

It is re-emphasized here that about 90 per cent of the people of Northwestern Ontario live in or near one or more of the Primate, Strategic "A" or Strategic "B" centres. Therefore, development (such as increased employment, construction of houses, schools, and hospitals, and better cultural facilities) will benefit not only the centres proper but also the majority of people living in the region.

Figure 15 illustrates the distribution and type of the above proposed centres of opportunity. The map should be viewed in conjunction with Figure 13, which shows the areal extent of influence of these centres.

NORTHWESTERN ONTARIO DEVELOPMENT REGION CENTRES OF OPPORTUNITY

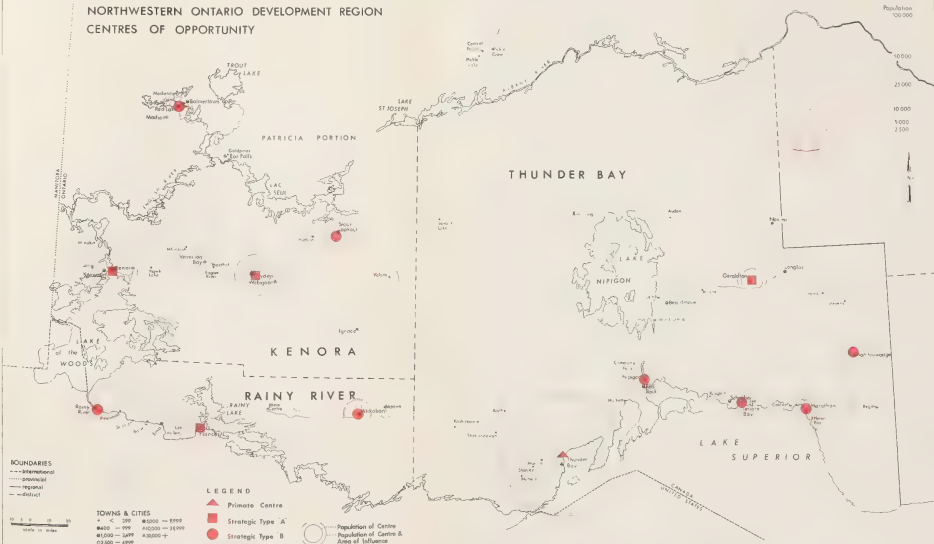


Figure 15

CHAPTER III

GOALS AND OBJECTIVES

The Selection of Goals and Objectives

The specification of goals and objectives for regional development in Northwestern Ontario has resulted from intense research and an awareness of public aspirations and problems as expressed in numerous meetings and conferences. Since goals and objectives provide the logical basis for plan synthesis, their formulation must be both relevant to the region and its people, and fiscally sound. This implies an underlying value system, one which is exceedingly complex because it must be valid at several levels.

First, because Northwestern Ontario is but one of ten development regions within the Province of Ontario, the goals of regional development must be compatible with the overall provincial goals and constraints. Two fundamental assumptions in respect of provincial goals are that: (1) it is in the best interest of all of the Province to stimulate the growth and development of Northwestern Ontario, and (2) the people who live there should be entitled as far as is possible, to the same opportunities and standards of living as are found elsewhere in the Province.

Second, and equally important, the goals and objectives of regional development must be acceptable and relevant to the people of Northwestern Ontario. Obviously, it is not possible to gain unanimous consensus on every issue; yet, through numerous public meetings held in many parts of Northwestern Ontario during the past two years, it has been possible to elicit a fairly representative expression of matters pertaining to regional development. In September 1968, eleven meetings were held by the Northwestern Ontario Development Council in preparation for the publication of its *Five Year Development Program: Final Report*,¹ which presents a detailed expression of regional goals and problems, combined with 46 recommendations for the implementation of the regional development program. Also important was the third Northern Development Conference, held in Thunder Bay in October, 1969, for the purpose of enabling the interested public to discuss problems of a regional nature and to suggest to the provincial government measures for their alleviation. Additional public participation was afforded at conferences on regional development and regional government held at Quetico Centre and at the annual meetings of the Associated Chambers of Commerce in Northwestern Ontario. At all of these events, the Regional Development Branch participated in order to gain an appreciation of relevant goals and problems.

Third, regional goals and objectives, and their underlying value system, must be valid for the planner. To a large extent, the constraints on goals and objectives, as far as planning agencies are concerned, are feasibility, cost, and the timing of implementation. Inasmuch as the planning agency for regional development is the Government of Ontario, the goals and objectives of the Northwestern Ontario regional development program, the plan and its implementation must be compatible with budgeted expenditures. Moreover, these factors must be in harmony among the various

¹ Northwestern Ontario Development Council, *Five Year Development Program: Final Report*, February, 1969.

government departments. To this end, an effort has been made to determine the programs and policies of all government departments which affect, and will be affected by, the regional development program in Northwestern Ontario.

As noted in the 1966 White Paper, *Design for Development* (Phase I), "much of Ontario's regional development program will be accomplished by a thoroughgoing coordination of the program, policies and spending of government departments . . . on a regional basis." One of the prerequisites to effective use of the provincial budget as a mechanism for carrying out regional plans is the classification of all provincial program spending according to the types and needs these programs are designed to serve.

Currently, each department is engaged in the coordinated planning program of defining its own overall departmental goals and problem-solving program objectives. Because the problems with which these provincial activities are concerned all reflect the local needs of one or more regions in Ontario, our regional development plan must ultimately reflect the program objectives being defined by individual departments and their budgetary plans for solving these specific problems.

General Regional Goals

Within the overall provincial planning program described above, the most important needs of and priorities for Northwestern Ontario have been identified as follows. This evaluation is made in conjunction with suggested solutions and strategies for the future development of Northwestern Ontario, to be outlined in Chapters IV and V.

The 46 recommendations contained in the *Five Year Development Program: Final Report* were centred around three general regional goals:

1. "To improve the quality of life in the northwest while maintaining the region's unique and desirable attributes"
2. To provide "a level of goods and services equal to or greater than the level enjoyed by people in other areas of the Province," such services being housing, education, health and recreational and cultural activities.
3. To provide better economic and occupational opportunities, emphasizing (a) "a higher level of incomes particularly for the underprivileged Indian groups of the area," and (b) "a substantial increase in the kind of jobs available . . ."

The validity of these general goals is recognized in this report. To provide a more detailed framework of references for the formulation of the regional development program, we have refined eight functions which are the concern of government into a number of specific objectives or needs for Northwestern Ontario. The eight functions and their respective objectives (needs) are outlined below.

1. Economic Development

Objectives:

1. Increase per capita income and productivity;
2. Reduce out-migration and increase population growth;
3. Reduce the annual and seasonal rates of unemployment;
4. Increase male and female employment opportunities;
5. Increase employment opportunities for the skilled and highly educated people in Northwestern Ontario;
6. Increase manufacturing employment;
7. Increase employment in construction and service industries;
8. Promote industrial diversification, and reduce the dependence of single-enterprise communities on local resource availability and/or external demand;
9. Enable urban centres to attract more industry and services;
10. Optimize the use of prime forest resources;
11. Optimize the use of economic mineral deposits;
12. Optimize the development of recreational resources;
13. Optimize the use of water resources and power potential.

2. Transportation and Communication

Objectives:

1. Increase accessibility between centres of population;
2. Increase access to natural resources;
3. Increase accessibility between centres of population and airports;
4. Reduce time/cost of moving goods and people within the region and between the region and external markets;
5. Provide comprehensive transportation and communication planning.

3. Community and Regional Environment

Objectives:

1. Improve water and sewage treatment facilities;
2. Reduce air and water pollution;
3. Conserve prime recreation areas and fish and wildlife;
4. Conserve prime forest resources;
5. Prepare urban and rural land use plans;
6. Concentrate urbanization in selected centres.

4. Social and Economic Welfare

Objectives:

1. Reduce the incidence of poverty;
2. Reduce the disparity between urban and rural standards of living;
3. Equalize the opportunities for ethnic and minority groups;
4. Provide social and economic services to mitigate the causes and effects of social problems;
5. Ensure adequate quantity and quality of housing.

5. Public Safety

Objectives:

1. Reduce the rate of accidents;
2. Reduce the incidence of crime;
3. Reduce the incidence of fire.

6. Health

Objectives:

1. Increase efficiency in the provision of health services;
2. Maximize accessibility to health services;
3. Reduce disparities in the provision of health services within the region and among socio-economic groups.

7. Education

Objectives:

1. Improve the level of educational attainment;
2. Improve the quality of education;
3. Maximize accessibility to educational facilities;
4. Reduce disparities of educational opportunity within the region and among socio-economic groups.

8. Recreation and Culture

Objectives:

1. Provide a fuller range of public recreational services and facilities;
2. Increase the availability of private recreational facilities;
3. Provide a fuller range of cultural services and facilities.

It must be emphasized that the above goals and objectives are necessarily general, and that they are capable of further refinement for the purposes of strategy formulation and recommended policy. We believe that these are the ends to be sought; the regional development strategy and recommendations suggest ways in which these ends can be attained.

CHAPTER IV

GENERAL STRATEGY ALTERNATIVES

Any regional development plan for Northwestern Ontario will reflect a set of basic value judgements and a degree of commitment to the region in the context of overall provincial policy. Chapter I of this brief described the salient socio-economic characteristics of Northwestern Ontario, evaluated the most pressing problems, and attempted to judge the outlook for various economic and social sectors, assuming that present public policy does not change.

Fundamentally, the regional development plan must determine which conditions must change, where these changes are needed, and how and when they should be implemented. There are four general strategy alternatives which could form the parameters of the plan. Each one of the four possesses advantages and disadvantages for guiding the regional development program. Although there is no single "best" package policy, a regional development policy which would distribute the benefits of the program to the great majority of people living in Northwestern Ontario, albeit focussing public and private investment into the 13 strategically located centres of opportunity selected in Chapter II, is preferable.

The four general strategy alternatives are discussed under the following headings:

1. Maintain the *Status Quo*, i.e. no change;
2. Encourage Out-Migration and Contraction;
3. Promote Rapid Expansion;
4. Promote Moderate Expansion.

Alternative 1 : Maintain the Status Quo

The assumptions behind this alternative are that existing conditions are satisfactory for the future overall development of Northwestern Ontario, that some decline is inevitable in parts of the region, and that little can or need be done to speed up the process of economic growth or to enhance the quality of life.

Advantages: The major advantage to this "program" is that no structural changes are needed in public policy, and that no extraordinary expenditures are required to achieve development goals. The places which are now growing would probably continue to grow, although slowly compared with the provincial rate, while areas and localities which are now undergoing economic and population decline would probably continue in that direction. The quality of life for people having high incomes and security in the larger centres would not be appreciably changed.

Disadvantages: If existing conditions are maintained in Northwestern Ontario, both the regional population and economy will play a progressively smaller part within the provincial picture. There will be a continued strong dependence upon resource-oriented

industries, and upon external demand for their commodities. With increasing competition for the same products from other regions, Northwestern Ontario could find itself in a difficult competitive position within an already narrow range of economic activity.

New developments such as mining of newly discovered deposits, road construction, expanded forest operations, and expanded tourist facilities would occur in an unplanned atmosphere, and development would continue to be *ad hoc* in nature. Pollution of water and air, which is not now a serious problem in most parts of the region, could conceivably become serious unless provision is made for pollution control.

The current disadvantages facing the Indian population will be gradually relieved under existing governmental programs at the federal and provincial level, but throughout the period Indians would continue to be in a comparatively deprived position both economically and culturally.

There would be continued out-migration of the vigorous and best-educated groups of the population. Small towns which are now having difficulty in retaining their young people would continue to lose their best potential labour pool, thereby propagating conditions of diminishing industrial and employment opportunities.

Single-enterprise communities would become increasingly vulnerable to resource depletion and eventually fade out of existence. This would be particularly true of mining communities which have no other sources of employment, but pulp and paper communities are by no means assured of a secure future, given increasing costs of hauling wood from distant supply areas and increasing competition from other paper and pulp producing areas. The decline of the resource towns would represent a waste of millions of dollars in invested capital.

Isolated communities in many parts of Northwestern Ontario are lacking, and will continue to lack, those attributes which contribute to the quality of life. Education, health and general cultural infrastructure will be concentrated in the larger centres, depriving the small remote settlements of a way of life which is generally enjoyed by most of Ontario's people.

The present municipal government structure, which is often poorly equipped to serve the needs of most localities, would perpetuate inadequacies in the provision of essential services. Many of the smaller communities would be deprived of services which can now be afforded by only the largest centres, creating an adverse climate for the establishment of new industry.

Alternative 2 : Encourage Out-Migration and Contraction

The underlying rationale for this alternative is that there is little possibility for regional growth in population and employment except in a few large urban places, that healthy industry should be concentrated in those more advantageous places and that chronic under-employment and rural poverty can be solved by removal of people from depressed areas to the urban concentrations. Further, it could be assumed that Northwestern Ontario will probably not diversify its economy much beyond the

resource-based industries, and that advanced phases of manufacturing are more economically located close to the markets of the south.

Under such a program, three types of migration would occur: (1) internal migration from depressed areas to growth centres; (2) some in-migration to growth centres from outside the region; (3) net out-migration from the region taken as a whole. The probable result would be gains in population in the major growth centres (Thunder Bay, Fort Frances, Kenora and Dryden) and a reduction of the current rate of growth for the region.

Advantages: The most obvious advantage of the above alternative is that the economy of a highly concentrated population would probably be healthy, inasmuch as there would be created larger local markets for the development of a wider range of service industries and certain secondary industries. Conversely, by removing people from depressed areas, many of the problems of underemployment, rural stagnation, remoteness from essential services (education, health), poor housing, and so forth would be largely eliminated.

Disadvantages: The disadvantages to such a program are many. In the first place, programs of induced out-migration and population concentration usually meet with a good deal of public resistance and are therefore politically unpopular. This effect can be seen in the out-port policy presently being carried out in Newfoundland.

Secondly, there will be large areas of Northwestern Ontario where it will be necessary to maintain some population, despite the lack of opportunity for future growth. Obviously mines cannot be shifted to urban centres, and mineral deposits located in remote areas must be worked by people living in communities reasonably accessible to them. Extreme concentration would leave such communities even more remote from sophisticated services than at present. The same situation applies to forest operations, which usually have their residential bases of operations in communities within 50 miles of the cutting areas. Similarly, tourists visiting Northwestern Ontario require food, accommodation, motoring services and other services spread over much larger areas than could be provided from a few urban concentrations.

Thirdly, a public policy to empty slow-growth or declining areas would be costly, inasmuch as the government would have to pay relocation costs, buy obsolete property, conduct extensive retraining courses for relocated people, and create many more jobs in the urban concentrations than may be practical or feasible.

Finally, the vital question is asked, it is really to the overall provincial advantage to encourage greater emptiness in an already sparsely populated region, when some other areas of the province are suffering from over-concentration, urban sprawl, pollution, and other problems attendant to rapid urban growth?

Alternative 3 : Promote Rapid Expansion

This alternative calls for a commitment to rapid urbanization and industrialization. Such a policy would attempt to bring the economy of Northwestern Ontario from its present resource-orientation to a highly advanced stage, characterized by a strong degree of industrial diversification, a wide range of employment and occupational

opportunities, expanded external and internal markets, and a highly developed social, cultural and physical infrastructure. Population of the region would be increased rapidly during the planning period to perhaps 10 to 15 times its present quarter million.

Within this alternative strategy, there are three spatial choices:

1. To concentrate all rapid urban and industrial expansion in Thunder Bay;
2. To concentrate the most rapid expansion in Thunder Bay, and to a somewhat lesser extent in the Strategic "A" growth centres, Kenora-Keewatin, Fort Frances, Dryden and Geraldton;
3. To distribute the process of rapid expansion equally among all 13 selected growth centres.

Advantages: The advantages found within a highly organized and urbanized area, such as the "Golden Horseshoe," at the west end of Lake Ontario, are many. To name but a few, megalopolitan development provides a broad range of occupational and employment opportunities within a sophisticated economy, and a large and skilled labour pool, a major factor contributing to regional economic growth. Cultural infrastructure and government services are provided at a high level. Per capita incomes are comparatively high, unemployment usually low. A large internal market would reduce the present vulnerability of Northwestern Ontario to fluctuations in external demand, and the dependence upon the primary sector would be lessened. Transportation costs as a constraint upon economic development would also be less critical.

If we take the first spatial choice, concentrated rapid expansion in Thunder Bay, other parts of Northwestern Ontario would theoretically benefit from the existence of a large, centrally located metropolitan centre which would contain a wide range of manufacturing and high order services such as specialized education and health and a strong regional government structure. This in turn would encourage the intensification of already established economic specialization in other parts of the region, such as tourism in the western portion, forestry in the east and central areas, agriculture in the western part of the District of Rainy River, and mining wherever it is located. Transportation routes focussed strongly on the city of Thunder Bay would increase the interaction of goods and services between that city and the regional hinterland.

The advantages to the second spatial choice, concentrating rapid expansion in Thunder Bay, Kenora-Keewatin, Fort Frances, Dryden and Geraldton, would be similar to those described above, except that the regional system would tend to be more dispersed. A strong transportation network would be established in all parts of the region, and there would be less extreme emphasis on sub-regional specialization in the economy, inasmuch as manufacturing and service industry diversification would be more widespread. A commitment to this plan would be more costly to achieve than the first choice.

The third spatial choice would imply general rapid expansion throughout the region, and would probably result in the greatest overall growth. Equal distribution of the development program does not mean that all places would be the same size; there would still be a similar rank-size ordering as now exists.

Disadvantages: Two major points of issue could be raised against any of the above three spatial alternatives to rapid expansion. The first concerns the feasibility of such growth, given the resource and market potential analysed in an earlier chapter of this brief and the limitations of the provincial budget. The possibility of general rapid expansion seems remote in the foreseeable future. Not only are such programs extremely costly, they may be inconsistent with overall provincial development policy which seeks to maximize the particular advantages offered by each region. Northwestern Ontario has probably less advantage for rapid urbanization and industrialization than any of the regions of southern Ontario.

The second issue is that the majority of people now resident in Northwestern Ontario value a way of life which is largely alien to densely populated, highly industrialized areas. Urban sprawl, water, air and soil pollution, congestion, rising land costs, and other diseconomies found within such areas are undesirable and easily avoided in Northwestern Ontario, without denying a level of income and employment which are desirable and feasible goals in the region.

Cost, unlikelihood of success, and lack of public acceptability, therefore, militate against this alternative development strategy.

Alternative 4 : Promote Moderate Expansion

The assumptions underlying the following strategy alternative are: (1) that it is in the best interests of the Province to encourage growth of the population and economy wherever possible in Northwestern Ontario; (2) that development should be focused on 13 strategically located centres of opportunity in the region; (3) that the regional economy should be diversified; (4) that regional out-migration should be stemmed, although movement of people from depressed areas to centres of opportunity should be encouraged; (5) that internal linkages (the transportation and communications network) should be improved throughout the region.

As in Strategy Alternative 3 above, there are three possible spatial ramifications to a strategy of moderate growth:

1. Concentrate most development in the primate centre, Thunder Bay;
2. Concentrate primarily on Thunder Bay, secondarily on the four Strategic "A" growth centres, and develop whatever is possible in the remaining eight (Strategic "B") growth centres;
3. Distribute development investment equally among all places in the region.

The annual rate of population growth in Northwestern Ontario is approximately 0.7 per cent annually, compared with the provincial average of about 2½ per cent. Assuming that "moderate growth" could mean an increase to a rate of from 1 per cent to 2½ per cent, we can make the following comparisons:

TABLE 4
PROJECTED POPULATION INCREASES, WITH AND WITHOUT PLAN

Year (1)	Population Projection Without Plan (2)	Population Projection With Plan		Difference	
		Low (1%) (3)	High (2½%) (4)	(3)-(2) (5)	(4)-(2) (6)
1966	223,484	—	—	—	—
1971	233,043	233,043	233,043	—	—
1976	242,090	244,928	263,665	2,838	21,575
1981	252,796	257,419	298,318	4,623	45,522
1986	263,542	270,563	337,516	7,021	73,974
1991	272,229	284,359	381,864	12,130	109,635

Source: Economic Analysis Branch and Regional Development Branch.

From Table 4, noting the differences in population between a continuation of the *status quo* (column 2) and plan implementation (columns 3 and 4), we can calculate approximately the numbers of new jobs which must be created *in addition* to those which would result from implementation of the regional plan.¹

TABLE 5
ESTIMATES OF NEW JOBS TO BE CREATED IN NORTHWESTERN ONTARIO

Period (1)	New Jobs to be Created		
	Without Plan (2)	With Plan	
		Low (3)	High (4)
1971-76	3,194	4,195	10,810
1977-81	3,779	4,409	12,233
1982-86	3,793	4,640	13,837
1987-91	3,067	4,870	15,655
TOTAL	13,833	18,114	52,535

The above totals of jobs to be created, with and without plan implementation are considered to be conservative, but they provide some indication of the relative degrees of development which could occur over the planning period. The recommendations made in Chapter V reflect the above strategy for moderate growth.

Advantages: A strategy of moderate growth in the economy and population of Northwestern Ontario which focuses development in Primate, Strategic "A" and Strategic "B" centres of opportunity is compatible with both the aims of provincial

¹ Calculations were made under the assumption that the proportion of the labour force in the total regional population would continue at 35.3 per cent (1961). This compares with the provincial average of 38.4 per cent. This is, of course, oversimplified because male and female participation rates have changed since 1961; the female participation in the labour force has risen; and changing age structure in the population and other factors such as earlier retirement and longer schooling affect the overall participation rate.

development policy and the aspirations of most people in the region. Analyses of the social and economic base have shown that Northwestern Ontario is capable of increased growth, but not in all places; the selection of strategic growth centres (centres of opportunity) is therefore important in ensuring that growth and development are planned and that a maximum number of people and localities will benefit.

The strategy as envisioned will not be a radical departure from the patterns of settlement and economic activity which have already developed in Northwestern Ontario. The quality of life which is valued by most people in the region will not be altered by the plan, and indeed should be enhanced in many areas which are experiencing decline or stagnation.

Diversification of the economy and planned growth will remove many of the uncertainties facing single-enterprise, resource-oriented communities. Better employment opportunities should be available for the younger and better educated sectors of the population which now tend to leave for other parts of Canada.

Disparities in income and standards of living within Northwestern Ontario will tend to be reduced by a dispersed, but focussed, system of economic growth. The Indian population, especially those in the southern parts of the region, should benefit equally from this growth.

Disadvantages: Disadvantages to the suggested program of moderate economic growth are most obvious if it distributes development equally throughout the region. Without a certain degree of agglomeration or concentration of growth in key urban centres, no lasting effects on income, unemployment, and economic and social opportunity can be expected. Extreme dispersion may result in short-term growth but does not necessarily ensure growth in employment and income in subsequent periods.

There are also inherent disadvantages in the opposite spatial extreme, that is, concentration of development primarily in Thunder Bay. While this would surely benefit that city and its functional hinterland many areas of Northwestern Ontario would be faced with the disadvantages discussed under Alternative 2: Promote Contraction and Out-Migration.

CHAPTER V

RECOMMENDATIONS

Recommended Development Strategy

After careful consideration of the four alternate strategies discussed in Chapter IV, Alternative 4: Promote Moderate Expansion has been selected as the most feasible development concept for Northwestern Ontario. By means of Alternative 4:

1. Employment opportunities should be created to allow for a target minimum of 18,000 new jobs over the 1971-91 period.
2. First priority in industry location should be given to the Primate centre of opportunity, Thunder Bay; second priority to Strategic "A" centres: Kenora-Keewatin, Fort Frances, Dryden and Geraldton, and third priority to Strategic "B" centres: Atikokan, Rainy River, Sioux Lookout, Red Lake-Balmertown, Nipigon-Red Rock, Terrace Bay, Marathon, Manitouwadge.
3. Equal attention should be given to the development of social infrastructure: health, social services, education, cultural, recreational, and government services. All centres of opportunity in Northwestern Ontario should benefit equally from developments in social infrastructure, insofar as economically feasible.
4. Diversification in the regional economy should be promoted through the attraction of manufacturing industry and tertiary (service) industries.
5. The strength of the primary and resource-oriented sector of the economy (forestry, wood-using industries, mining, and tourism) should be maintained and intensified wherever and whenever possible.
6. The more advanced phases of resource processing and manufacturing should be encouraged to locate in Northwestern Ontario, if economically feasible.
7. Transportation and communications linkages should be improved within the region, and between the region and Southern Ontario. The five major foci for such development should be the Primate and Strategic "A" centres.
8. The implementation of regional government, wherever there is a demonstrated need for it, should accompany the implementation of the regional development program.

A number of recommendations are marked with an (I). These have particular implications for the Indian Community, and will be discussed further at appropriate times.

Problems

1. General Policy

The very slow rate of population growth and net out-migration occurring in Northwestern Ontario is related strongly to the lack of employment opportunities and the lack of other amenities relative to other regions. There is little incentive to keep young and skilled people in the region or to produce net in-migration.

Needs

- 1.1 The federal and Ontario governments should seek ways and means of offering substantial incentives for the establishment of new industry in Northwestern Ontario to complement the policy of the federal Department of Regional Economic Expansion. It is recommended that, under the programs of the Northern Ontario Development Corporation, primary industry and certain tertiary industries qualify for loans. The province should undertake discussions as soon as possible with the federal government on the best way of ensuring federal financial and program participation in the implementation of specific targets and recommendations in this Report.

Recommendations

2. Economic Development

There are insufficient employment opportunities being created within Northwestern Ontario to sustain a healthy rate of population increase, or to diversify the economy to lessen dependence upon local resource availability and changing conditions in external markets.

A minimum goal of 18,000 new jobs in Northwestern Ontario over the planning period (1971-1991) should be established. Feasible targets are as follows:

1. 2,000-3,000 new jobs in mining;
2. 4,000-5,000 new jobs in pulp and paper;
3. 4,000-6,500 new jobs in manufacturing;
4. 8,000-10,000 new jobs in the service industries, including tourism;
5. A total of 8,000 (minimum) new jobs should be created at Thunder Bay, 1,500 new jobs at

2.1 The Ontario Government, under the Department of Mines and Northern Affairs, should intensify geological surveys and airborne geophysical surveys to facilitate the discovery of new mineral deposits.

2.2 The Ontario Government should request the cooperation of all private companies in submitting, within a reasonable time limit, all geological and geophysical exploration data to the Department of Mines and Northern Affairs for public use.

2. Economic Development (*continued*)

each of the Strategic "A" centres, and a minimum of 250 new jobs at each of the Strategic "B" centres. The remaining 2,000 new jobs should be created in mining, forestry and recreation, outside of growth centres.

Furthermore, there is a need to induce only those economic activities which are well adapted to the resource potential and socio-economic climate of Northwestern Ontario. Incentive programs are fundamentally important to the creation of new employment opportunities, but they cannot be implemented without equal attention to the development of essential infrastructure and to the removal, wherever possible, of inherent deterrents to the location of new industry.

2.3 The taxation position of the mining industry should be reviewed constantly to ensure that, in the light of changing tax policies in Canada and other countries, the domestic mining industry remains competitive in world markets.

2.4 Where there exist economic mineral deposits of proven grade and size and for which there is a market, cooperative efforts should be made to bring the deposits into production as soon as feasible.

2.5 The Ontario government, in cooperation with the federal government and private enterprise, should continue to enhance the competitive position of the forest products industry on an equitable basis by:

- (a) financial assistance in plant modernization;
- (b) financial assistance in plant expansion;
- (c) better utilization of exploitable forest resources through a continued program of timber-limit reallocation;
- (d) financial assistance in access road construction.

2.6 Studies should be renewed concerning the feasibility of locating at least one new pulp and paper mill in Northwestern Ontario. Priority should be given to areas where existing timber resources are under-utilized and environmental quality can be maintained.

2.7 Feasibility studies should be made regarding further development of the lumber, plywood, veneer and other woods products industries

Problems	Needs	Recommendations
2. Economic Development (<i>continued</i>)		<p>in Northwestern Ontario, using in particular under-utilized forest species.</p> <p>2.8 Related to Recommendation 2.7, it is further suggested that particular attention be given to the possibility of integrated wood-using industries, particularly in Strategic "B" communities, if studies in these areas demonstrate economic feasibility. Examples of such communities are Geraldton (Strategic "A"), Manitouwadge, Atikokan, Sioux Lookout and Red Lake (Strategic "B").</p> <p>(i) 2.9 Related to the previous two recommendations, it is further recommended that government and industry jointly develop special training programs for people in remote areas to increase their opportunities for steady employment in both mechanized woods operations and in the mills.</p> <p>2.10 Existing incentive programs, both federal and provincial, should be broadened to include mining, primary forest industries, utilities and those service industries such as tourist outfitters which can demonstrate potential for growth in employment.</p> <p>2.11 Provided substantial developments occur in the mining of base metals and iron in Northwestern Ontario, the federal and provincial governments should encourage, through the provision of substantial incentives, the establishment of a smelter, refinery, or other primary metal industry within the region, Thunder Bay being the most advantageous location.</p>

2. Economic Development (*continued*)

2.12 A detailed analysis of the transportation cost/ rate structure and its effects on Northwestern Ontario industry is currently being undertaken. Early consideration should be given to the recommendations of this Report.

2.13 The Primate and Strategic "A" centres of opportunity should be encouraged to plan for development of feasible industrial sites and industrial parks which are adequately served by water, sewage disposal, power and transportation facilities. Within this recommendation it is urged that careful attention be paid to the functions that each centre is expected to perform and to the prospects of each community for industrial development.

2.14 Through the Northwestern Regional Development Council and in conjunction with the municipalities and the Northwestern Ontario Chamber of Commerce and other industrial agencies, communities in Northwestern Ontario with common problems and common interests should retain the services of capable industrial development officers to publicize the regional development program, to initiate the development of industrial sites, and to coordinate local development programs with the overall priorities of the regional program.

2.15 Financial measures to facilitate the implementation of Recommendation 2.14 should be developed jointly by the province, the Northwestern Ontario Regional Development Council, the municipalities and the private sector.

2. Economic Development (*continued*)

Recommendations

- 2.16 Attention should be given to the creation of employment opportunities for women, who are substantially under-employed in Northwestern Ontario compared with the Province as a whole.
- 2.17 Major integrated recreational complexes, featuring camping, golf, swimming, boating, skiing, fishing, and hunting should be established at key locations in Northwestern Ontario. It is suggested that sites be investigated and, if warranted, acquired or reserved on the eastern shore of Lake of the Woods, on Eagle Lake near Vermilion Bay, on or near Minitaki Lake south of Sioux Lookout, on accessible areas of the western shore of Lake Nipigon, on the eastern shore of Lake Nipigon near Beardmore, and on the north shore of Lake Superior between Pigeon River and the Slate Islands. Such development should encourage the widest availability of facilities to the public and a substantial return of benefits to the region itself, and could involve joint efforts by government and the tourist industry.
- 2.18 Under the Department of Tourism and Information, integrated and varied "tour packages" should be initiated and promoted to take maximum advantage of all types of recreational attractions and to extend the average visitor stay in the region.
- 2.19 Major tourist events should be developed in Northwestern Ontario which would attract large numbers of people from many parts of Canada and the United States. As examples, these events could include an international

2. Economic Development (*continued*)

Needs

Recommendations

winter sports competition, and a summer voyageur festival, taking advantage of the recreational resources of Thunder Bay and elsewhere. Full advantage should be taken of the unique historical characteristics of Northwestern Ontario.

2.20 The north shore of Lake Superior should be developed as a major cruising area, with encouragement being given to the establishment of marina facilities, marine-oriented hotels, and on-shore recreational diversions.

2.21 To utilize more fully the historical and environmental qualities of the International Boundary Waters, the Pigeon River and the Lac la Croix- Rainy Lake- Rainy River systems should be developed for canoeing and other wilderness recreation.

2.22 The wilderness qualities of the area lying between Lake Superior and Rainy Lake, especially Quetico Provincial Park, should be carefully preserved. Woods cutting operations should be closely controlled in all areas which have high recreational values.

2.23 A regional recreation and tourism plan should be prepared within the context of the Tourism and Outdoor Recreation Plan for the Province.

2.24 To facilitate research into all types of land use and capability, Ontario Land Inventory data for all parts of Northwestern Ontario should be collected and analysed as soon as possible, to provide the basis for the development of land use plans in the region.

Problems

Needs

Recommendations

3. Transportation and Communications

Isolation, long distances between centres, high costs of moving goods and inadequacies in the communications system affect both economic and social development in Northwestern Ontario.

Maximize accessibility among major urban centres, increase efficiency and reduce time/costs of moving goods and services within the region; increase accessibility of urban centres to forest, mineral and recreational resources and provide for comprehensive transportation and communications planning.

3.1 To increase and improve the connectivity of the Primate and Strategic "A" growth centres, the following highway links are recommended as priority: *

- (a) Continued upgrading of Highway 71 (Fort Frances to Kenora);
- (b) Fort Frances to Dryden;
- (c) Terrace Bay to Geraldton (by first inquiring into the possibility of an agreement with Kimberly Clark).

3.2 The following access roads should be given priority:

- (a) Sioux Lookout to Valora and the site of Mattagami Lake Mines, Ltd., at Sturgeon Lake;
- (b) Minaki northeasterly to Sydney Lake (already under construction);
- (c) Balmertown northerly to North Spirit Lake (already under construction);
- (d) Extension of the road northerly and northwesterly from Central Patricia to connect with Balmertown northerly (already under construction);
- (e) Extension and improvement of the Spruce River Road from Thunder Bay north to Armstrong;
- (f) Sydney Lake northerly to Madsen;
- (g) Improvement in the Anaconda road north from Nakina, providing that mining development is imminent and certain;
- (h) From Nakina west to the Can-Fer iron deposits, providing that mining development is imminent and certain;

Problems

3. Transportation and Communications (continued)

Needs

Recommendations

- (i) Improvement in the industrial road from Manitouwadge to Caramat.
- 3.3 Over the long run consideration should be given to the construction of a highway from Atikokan north to Ignace and of an access road from Sioux Lookout easterly or northerly to Highway 599 or to Lake St. Joseph.
- 3.4 The Primate and Strategic "A" centres of opportunity should be linked by a regional air service. It is further recommended that the regional service be extended to include Primate and Strategic "A" centres in Northeastern Ontario and that the entire system be closely integrated with connecting flights between Toronto, Montreal, Thunder Bay and Winnipeg.
- 3.5 The existing policies and plans of the Provincial Department of Transport's "Highways in the Sky" Program are in accordance with the Regional Development Program, but efforts should be intensified to complete the system.
- 3.6 The Ontario Government should establish sliding formulas which could enable municipalities designated for airstrips under the "Highways in the Sky" Program to carry their fair share of the costs of air strip development and maintenance.
- 3.7 Air freight facilities should be developed fully to meet the needs of new economic developments in the Primate and Strategic "A" centres of opportunity.

3. Transportation and Communications (continued)

3.8 The Ontario Government should initiate feasibility studies of technological change which could improve efficiency and reduce the time/costs involved in transporting bulk commodities such as mineral products and manufactured products out of and into Northwestern Ontario. Such changes could involve centralized loading and offloading facilities, unit trains, and/or containerization.

3.9 There should be established a central radio and television centre in Thunder Bay which would emphasize Ontario and Northwestern Ontario news content and extend such content into all parts of Northwestern Ontario through existing repeater stations.

3.10 There is an obvious need for, and early steps should be taken to develop, an improved integrated two-way radio system operating 24 hours a day to link remote settlements located in the Patricia Portion and in other territory north of the Canadian National main line.

4. Community and Regional Environment

The quality of life in many communities is affected by a narrow range of service infrastructure, poor housing, and inadequate provision of government services. These problems are related to over-specialization in the economic base and the inability of municipalities to share equally in economic development outside of their corporate boundaries. Pollution of air and water, now usually localized, will become more widespread if current trends continue. Forest operations are sometimes in conflict with recreational needs.

Provide may centres with physical and social infrastructure which can enable them to benefit from regional economic development, and ensure proper care of the natural environment.

4.1 Regional or district government and municipal consolidation should be implemented in those parts of the Northwestern Ontario where it is desirable.

4.2 As a general policy, the construction of new townships in Northwestern Ontario for specialized purposes such as mining should be discouraged if not restricted.

4.3 A type of temporary housing and service accommodation should be developed to serve the needs of mining operations which are to be small in scale and relatively short-lived.

4. Community and Regional Environment (continued)

4.4 The Ontario Housing Corporation and/or the municipalities should initiate land assembly projects to provide an adequate supply of residential building lots and to allow the municipality to benefit under the Home Ownership Made Easy Plan. Top priority should be given to Thunder Bay, with Strategic "A" centres following.

(I) 4.5 Provision should be made to enable people living in isolated communities to take advantage of OHC-type loans. These loans, where possible, should include provisions for the purchase of land and services.

4.6 The Department of Lands and Forests and local conservation authorities should intensify re-planting of older cut-over areas, especially in forest areas close to existing wood-using industries.

4.7 Measures to prevent and reduce air and water pollution should be intensified.

5. Education

The quality of education in Northwestern Ontario is uneven; major differences exist between the smaller and remote communities and the major urban centres. Some of the new boards of education have not yet been able to fully equalize educational opportunity throughout their jurisdictions even though grants are paid at a higher level than in Southern Ontario. Expenditures above the normal ceilings place a heavy burden on the local taxpayer because of the relatively small tax base.

Reduce the disparities in educational achievement between large urban centres and the more remote communities. Assist school boards to take full advantage of the resources available at the office of the Regional Director of Education to modernize their curriculum. Extend telecommunications or other modern teaching aids to areas which have difficulties in attracting and holding qualified teachers. Make boards, parents and teachers aware of the room and board provisions that are available for pupils who would otherwise have to travel unrealistic distances to and from school daily.

5.1 In recognition of the desirability of achieving equality of educational opportunity between large urban centres and the more remote communities, specific proposals are made in Recommendations 5.2 to 5.14. These should be implemented on a staged basis in accordance with availability of resources and priority needs.

5.2 Investigate thoroughly the possibility of providing regional boards of education or a combined separate school board to provide services for the 20 small isolated public school boards and the 4 small isolated separate

Problems

5. Education (*continued*)

The small isolated boards which were too remote from other centres to be included in school divisions suffer from a shortage of modern equipment and the difficulty of securing well-qualified and experienced teachers.

Needs

Recommendations

school boards in order that the pupils involved may have more of the opportunities available to the over 98% of the pupils who are now under the jurisdiction of larger units of administration. Some of the problems related to the disparity in education achievement are symptoms of an inadequate administrative structure. The administrative assistance given by the area superintendents attached to the Regional Office should be extended to the maximum amount possible.

5.3 When the isolated boards are grouped for administrative purposes the more sophisticated types of teaching aids should be utilized on a rotating basis between schools. The curriculum and resource people at the Regional Office of Education should provide consultant services to upgrade the educational standards either in total or to supplement any that would be economically feasible for the regional board to provide.

(I) 5.4 Where it is difficult to obtain sufficient numbers of highly qualified staff, highest priority should be given to the use of television or other communications media which can extend good teaching facilities into remote areas.

(I) 5.5 The feasibility of developing learning facilities aboard school vehicles should be investigated.

(I) 5.6 In remote elementary schools, in cases where neither English nor French is normally spoken, instruction in the first few grades should be in the language of the students.

5. Education *(continued)*

English should be introduced in the fifth or sixth grade, by which time both children and parents would be familiar with the educational process.

- (I) 5.7 For children who are removed from isolated areas to attend school, orientation programs should be introduced for the child, his parents and the host family. While there is no set limit for the cost of room and board for pupils under the jurisdiction of school boards, the basic daily allowance for such costs for other children should be increased. In addition, financial provision should be made to allow the child to return home at least two or three times during the school year.

- (I) 5.8 Special classes should be established for children when first attending schools with an emphasis on individual programs.

- (I) 5.9 Special attention should be given to structuring courses in a manner which will enable each individual student to achieve his full potential according to his own abilities and needs. For some this may mean an emphasis on certain skills, for others orientation towards a university or technological college.

- (I) 5.10 Classes for adults aimed at upgrading their education, at least to the level where they can understand the opportunities available to them and to their children, should be continued.

5. Education *(continued)*

- (I) 5.11 Diet supplement programs should be introduced in remote schools to ensure an adequate level of nutrition.
- (I) 5.12 As an added incentive to parents to keep their children in school the present youth allowance of \$10 per child per month should be raised for those families with a demonstrated need.
- (I) 5.13 In structuring the curricula and purchasing books, it is essential that these reflect the society and environment in which they are to be used.

Teaching kits being produced by the Ontario Institute for Studies in Education should be used in Northwestern Ontario as soon as possible.

- (I) 5.14 The Northern Corps of teachers should be expanded and mobile teachers should be available to work with isolated and nomadic groups.

6. Health

Disparities in the provision of health services exist between the larger urban centres and the smaller, isolated communities. In remote areas, there is often a complete absence of some medical services.

The danger of emergencies in isolated settlements is sometimes acute.

There is a shortage of medical and dental specialists outside of Thunder Bay, and a shortage of doctors and dentists in isolated areas.

Increase the accessibility of health services in all parts of the region. Develop a fully integrated approach to all community health services.

Ensure the most efficient use of specialists throughout the region.

Increase the doctor/ population and the dentist/ population ratios to acceptable levels.

Extend the underserved area program to less prosperous communities; and ensure the provision of basic health services to all communities.

- 6.1 In order to increase the accessibility of health services in all parts of the region in a planned fashion, careful consideration should be given to specific proposals in Recommendations 6.2 to 6.8. In health as in education, such proposals can only be implemented on a staged basis in accordance with availability of resources and priority needs.

- (I) 6.2 Health planning should be organized on a regional basis. Recommendations towards this end have been prepared by the Ontario Council of Health.

6. Health *(continued)*

In order to qualify for provincial assistance programs to provide basic medical and dental services, municipalities are required to ensure that adequate clinic, office and housing facilities are available to the locating doctor or dentist at a reasonable rate.

The Council has suggested that the two chief components of such regional health planning be the hospitals and the public health service and that other components include among others: specialist care, organized rehabilitation, mental health, home care, ambulance services and health services for the aged.

(I) 6.3 Attention should be given to development of appropriate specialist medical services, especially in Strategic "A" centres.

(I) 6.4 The smaller municipalities and unorganized communities could be assisted in the provision of accommodation for medical personnel.

(I) 6.5 In remote areas, adequate telecommunication service on a 24-hour basis should be available to all personnel who may have to contact an outside centre for consultation or to summon medical or ambulance services.

6.6 Because of the uncertainties of northern transportation, school courses in health education should be emphasized so that all citizens may have at least some knowledge of the prevention of disease, preservation of health, first aid and home nursing.

6.7 The possibility should be examined of establishing frontier nursing courses, similar to those at Dalhousie University, to train medical personnel to a level half-way between that of a doctor and a nurse. The nurse practitioners produced in this way could either staff the present nursing stations, or travel among a specified number of isolated reserves and communities.

Problems

Needs

Recommendations

6. Health *(continued)*

- 6.8 The possibility should be investigated of organizing existing facilities into an airborne health service circuit for transporting patients and medical personnel into and out of remote settlements, on both a regular and emergency basis.

7. Social Services

Sparse population, inadequate municipal tax bases, lack of employment opportunities, lower than average incomes, lack of economic diversification and a shortage of skilled social workers result in persons experiencing great difficulty in achieving self-fulfilment and requiring longer periods of dependency on social assistance.

Encourage the creation of larger units of social service administration and assist in the development of programs responsive to individual needs. Attract capable persons, preferably with a Northern Ontario background, who are skilled in problem assessment and rehabilitative measures.

- 7.1 Larger units of administration will require careful planning to produce programs which are responsive to the needs of the community and which are coordinated with provincial administration.

The delivery of social services at the local level should be organized regionally.

- 7.2 The number of family service workers and vocational rehabilitation workers in provincial regional offices should be increased in order to strengthen preventative measures.

- 7.3 Incentives should be developed which will permit the larger units of administration noted in Recommendation 7.1 and private agencies to attract and retain skilled personnel.

- 7.4 Lakehead University should be encouraged to develop and improve social service courses available in Northwestern Ontario. Community Colleges should develop courses for related occupations such as the training of homemakers.

- 7.5 National and/or province wide charitable organizations should be made aware of the need to channel resources to Northwestern Ontario for the construction and operation, with provincial financial assistance, of institutions such as homes for the aged, day nurseries, vocational rehabilitation workshops and elderly persons recreational centres.



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